
CONTENTS

<i>Foreword</i>	<i>vii</i>
<i>Acknowledgements</i>	<i>xiii</i>
<i>Abbreviations</i>	<i>xix</i>
<i>Table of Cases</i>	<i>xxi</i>
<i>Table of Legislation</i>	<i>xxxi</i>
<i>Table of Acts of International, European and National Competent Authorities</i>	<i>xxxvii</i>
 Introduction.....	 1
1. The Rise of EU Investor Protection Regulation and the Role of Private Law.....	7
I. Harmonisation in EU Securities Markets: From Liberalisation to Regulation.....	7
II. The Development of EU Investor Protection Regulation.....	8
A. ISD.....	8
B. MiFID I.....	10
C. MiFID II.....	12
III. Protecting Investors without Private Law: The Reasons for (The Lack of) Private Law Harmonisation.....	13
IV. Bridging EU Conduct of Business Rules and National Private Law via EU General Principles.....	16
A. The EU Judge-Made Law on Remedies.....	16
B. Horizontal Effects of Conduct of Business Rules.....	17
C. The Procedural Autonomy of Member States: A Private Law Remedy Based on EU Law?.....	19
D. EU Fundamental Rights: The Right to an Effective Judicial Protection.....	21
V. The Interplay between EU Sectoral Regulation and National General Private Law: Towards Hybridisation of National Private Law?.....	22
VI. Preliminary Conclusion.....	25
2. Regulatory Design of MiFID II's Conduct of Business Rules.....	27
I. Rationales of Conduct of Business Rules.....	27
II. The Scope of Conduct of Business Rules.....	28

III.	The Clients' Categorisation Rules.....	30
A.	Overview.....	30
B.	The Retail Client: Consumer or Investor?	31
IV.	Regulating Investment Firms' Conduct.....	33
A.	Fair Treatment and Best Interest Duties.....	33
B.	Disclosure Rules.....	34
C.	Suitability Rule	36
D.	Appropriateness Rule	40
E.	Conflict of Interest Rules	42
F.	Inducements Rules	43
G.	Product Governance Rules.....	44
V.	Private Law Duties and Remedies (in the Shadow of) MiFID II	47
A.	Scope of Harmonisation	47
B.	Intensity of Harmonisation	48
VI.	National Conduct of Business Rules.....	49
A.	The UK.....	50
B.	France.....	52
C.	Italy.....	53
D.	Spain.....	54
VII.	Preliminary Conclusion.....	56
3.	Civil Law Effects of ESMA's 'Conduct of Business Handbook'	58
I.	Conduct Supervision and Private Law: The Issues at Stake.....	58
II.	ESMA's Institutional Design.....	59
A.	Objectives and Tasks	59
B.	Powers	61
III.	ESMA's 'Conduct of Business Handbook'	65
A.	Fair Treatment Clause	66
B.	Investment Advice and (Irrelevance of) Advisory Contracts.....	66
C.	Suitability Rule	67
D.	Appropriateness Rule	69
E.	Governance of Structured and Complex Products	69
IV.	National Supervisory Models	71
A.	The UK.....	72
B.	France.....	75
C.	Italy.....	76
D.	Spain.....	79
V.	A Comparative Assessment	80
VI.	Shaping Private Law Through Supervisory Standards	82
A.	Horizontal Direct Effects: Product Intervention	82
B.	Horizontal Indirect Effects	84
VII.	Preliminary Conclusion.....	87

4. Civil Law Effects of Conduct of Business Rules in Out-of-Court Proceedings.....	89
I. Out-of-Court Retail Dispute Resolution in EU Law	89
II. The EU Regulatory Framework.....	90
A. ADR Directive.....	90
B. MiFID II.....	91
III. National Out-of-Court Dispute Resolution Mechanisms.....	93
A. The UK.....	94
B. France	103
C. Italy	107
D. Spain	112
IV. Adjudicative Approach	117
A. Fair Treatment Clause	118
B. Suitability Rule.....	119
C. Appropriateness Rule.....	122
D. Remedies for Breaches of Conduct of Business Rules.....	122
V. A Comparative Assessment	124
A. 'Supervisory ADR Procedures'	124
B. 'Special Purpose ADR Procedures'	125
VI. Preliminary Conclusion.....	129
5. Civil Law Effects of Conduct of Business Rules before National Courts.....	131
I. Mis-selling Litigation: An EU Law Issue.....	131
II. National Judicial Approaches	132
A. Private Law Duties in Advised and Non-advised Transactions.....	132
B. Remedies for Breaches of Conduct of Business Rules.....	147
III. A Comparative Assessment	166
A. Private Law Duties	166
B. Private Law Remedies.....	169
IV. Preliminary Conclusion.....	170
6. The Emergence of Hybrid Private Law in Retail Financial Markets: Foundations and Legitimacy	173
I. Anchoring Hybrid Private Law to EU Law.....	173
II. Hybrid Private Law Duties.....	174
A. Horizontal Direct and Indirect Effects of MiFID II Conduct of Business Rules.....	174
B. Limits to the 'Judicial Gold-plating': <i>Nationale-Nederlanden v Van Leeuwen</i>	176
III. Hybrid Private Law Remedies	177
A. Individual Rights to Investors: Conditions.....	177
B. <i>Genil v Bankinter</i> : Towards an Implied Private Law Remedy?....	179

C.	The Judicial Reactions to <i>Genil v Bankinter</i> : Dialogue and Resistance	181
D.	Upgrading National Private Law Remedies via the Principles of Equivalence and Effectiveness	183
IV.	The Design of Effective Private Law Remedies.....	186
A.	Avoidance of Contracts	186
B.	Liability for Damages.....	190
V.	Horizontal Application of EU of Fundamental Rights	196
A.	Retail Clients' Fundamental Rights	196
B.	Investment Firms' Fundamental Rights	198
VI.	Preliminary Conclusion	199
7.	Hybrid Enforcement Mechanisms: Future Perspectives.....	201
I.	Private Enforcement of Conduct Regulation in the EU: Unexpected Importance and Limitations.....	201
II.	The Goals of Private Enforcement.....	203
A.	Efficiency	203
B.	Compensation	204
C.	Deterrence.....	205
D.	Investors' Confidence in Financial Markets	205
III.	The Risks of Private Enforcement.....	206
A.	Sub-optimal Deterrence	206
B.	Vexatious Litigation	207
C.	Systemic Risks.....	208
IV.	The Incentives' Design in Retail Clients' Litigation.....	210
V.	Connecting Public and Private Enforcement: Towards Hybrid Enforcement Mechanisms?.....	211
A.	Specialised Judicial Procedures	212
B.	Information Exchange between Competent Authorities.....	213
C.	Conforming Judgments to Supervisory Acts	214
D.	Hybrid Enforcement Mechanisms.....	216
VI.	Preliminary Conclusion	217
	General Conclusions.....	219
	<i>Bibliography</i>	223
	<i>Index</i>	231