

MFSA Newsletter

Local News

Inter-regulatory collaboration reinforced through new MoUs

The MFSA recently concluded a number of memoranda of understanding (MoUs) with a number of foreign and local regulatory and supervisory authorities, including the Central Bank of Cyprus, the Bermuda Monetary Authority, the Office for Fair Competition in Malta and a multilateral memorandum of understanding (MMoU) with financial supervisory authorities, central banks and finance ministries of the European Union.

These memoranda add to the growing list of bilateral and multilateral memoranda of understanding that have been signed in the past years.

MoUs assist in the execution of MFSA's statutory obligations which include the regulation, monitoring and supervision of financial services in Malta and the promotion of the general

interests of consumers of financial services and of fair competition practices.

They also serve as a tool for the exchange of information and the cooperation between authority and the counterpart in the course of investigations into allegations of practices and activities detrimental to consumers of financial services as well as in the suppression and prevention of such activities.

In a globalised world these functions can very often be effectively achieved only through increased regulatory and supervisory cooperation across national borders.

Memoranda of understanding between regulatory and supervisory authorities facilitate such cooperation and create a formal framework for the exchange of information and regulatory assistance.

The first of the recent international MoUs was signed with the Central Bank of Cyprus (CBC) on May 29. The CBC is the competent authority for the licensing and supervision of banks in Cyprus, and the MoU is primarily intended to facilitate cooperation in the supervision of cross-border establishments of credit institutions. The MoU between the MFSA and the Bermuda Monetary Authority (BMA) was signed a few days later, on June 3, and is more wide-ranging in scope than the MoU with the CBC. The BMA has statutory responsibility for the supervision and regulation of financial institutions, investment business and investment funds, insurance business, money service business and trusts in Bermuda.

The MMoU among the financial supervisory authorities, cen-

tral banks and finance ministries of the European Union, of which the MFSA is also a signatory, came into force on June 1. The objective of this MoU is to enhance cooperation among the authorities that need to be involved in the management and resolution of a financial crisis, both in normal times – in order to ensure preparedness for crisis situations – and, most importantly, in actual crisis situations.

On the local front the MoU between the MFSA and the Office for Fair Competition, signed on June 2, is intended to facilitate the regulatory duties of the two institutions.

A list of MMoUs, MoUs and protocols to which the MFSA is a party can be viewed from the MFSA website on www.mfsa.com.mt, by clicking on the Memoranda of Understanding section.

New licences issued in June

Collective investment scheme licences

Professional Investor Funds targeting qualifying investors

- Licence issued to **SJP Opportunities Fund SICAV**.
- Licence issued to **NBCG Fund SICAV plc** in respect of seven sub-funds.

- Licence issued to **Bosphorus Umbrella SICAV plc** in respect of one sub-fund.

- Licence issued to **Altma Funds SICAV plc** in respect of three sub-funds.

- Licence issued to **Neutron Fund SICAV plc**.

Professional Investor Funds targeting experienced investors

- Licence issued to **FMG Funds SICAV plc** in respect of three sub-funds.

Investment services licences

- Category 2 Investment Services licence issued to **Blue Planet Investment Management Ltd**.
- Category 5 IS Licence issued to **FMG (Malta) Ltd**.

Insurance licences

- Licence issued to **PerfectHome Cell**, as a Cell of Atlas Insurance, to carry on the business of insurance in three classes of general business.

- Licence issued to **PSA Insurance Ltd**, to carry on business of insurance and reinsurance restricted to risks outside Malta in three classes of general business.

- Licence issued to **Palatina Insurance Ltd**, to carry on business of affiliated reinsurance restricted to risks situated outside Malta in 5 classes of general business.

- Licence issued to **PSA Life Insurance Ltd** to carry on business of insurance and reinsurance restricted to commitments where Malta is not the country of commitment, in life insurance business.

Enrolment in the insurance agents list

- **Mediterranean Insurance Agency Ltd** has been granted enrolment in the Agents List to act as insurance agent in 10 classes of general business.

- **SMS Insurance Agency Ltd** (SMS Ltd) has been granted enrolment in the Agents List to act as insurance agent in seven classes of general business.

MFSA website: <http://www.mfsa.com.mt>
Registry website: <http://registry.mfsa.com.mt>

Consumer website: <http://www.mfsa.com.mt/consumer>.

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

Butterfield Trust (Malta) Ltd

The Bank of N.T. Butterfield & Son Ltd ("Butterfield") has announced that, following its acquisition of the Bentley Reid Group in October 2007, Bentley Trust Limited has completed formalities to change its name to Butterfield Trust (Malta) Ltd. Butterfield is Bermuda's first and largest independent bank, and a specialist provider of international financial services.

Butterfield Trust is a Maltese registered trust company which has operated in Malta since February 2003. Malcolm Becker, chief executive officer of Butterfield Trust

(Malta) Ltd, said: "We are excited to complete our integration into the Butterfield group and look forward to our future growth in the developing financial centre of Malta and as a successful part of the expanding Butterfield organisation."

Graham Brooks, executive vice-president International for Butterfield, said:

"We are delighted to have a presence in Malta and look forward to the continued success of our business in this important and dynamic financial centre."



Butterfield Trust

Notice on international terrorism

The MFSA has issued a notice to all financial sector licence holders reminding them of their obligations to ensure that the business and financial sectors are not used in any manner by terrorist or other criminal organisations.

According to these obligations licence holders should forcefully seek to identify any activity or interests in Malta that are linked

to any form of international terrorism.

The authority has already had occasion to remind licence holders of their duty to inform it of any information held by them known or suspected to be connected with any individuals or entities listed in a number of regulations issued under the National Interest (Enabling Powers) Act of 1993.

These regulations represent Malta's alignment to sanctions or measures adopted by the United Nations and the European Union.

The MFSA would like to remind all licence holders that once these regulations are published in the Government Gazette, they enjoy the force of law and are therefore automatically binding.

Licence holders are therefore reminded that they are to ensure that they keep themselves up to date as to the changes to the lists contained in the regulations, which may take place from time to time in the Government Gazette.

For ease of reference, such updated lists may be found on the Implementation of Sanctions section of the MFSA website.

Insurance products packaged as pension or retirement plans

The MFSA issued a circular on March 10 whereby it advised that no product should be marketed or sold with any direct or indirect reference to the pending pension

reform or to any future legislation or related incentives that may be introduced by government as part of the reform of the current pension system.

In the light of the ongoing work related to the reform of the current pension system, the MFSA notifies the insurance industry that no products branded as suitable for

pension or retirement planning should be actively sold to or made available through employers, pending finalisation of the reform of the current pension system.