

Suppliment tal-Gazzetta tal-Gvern ta' Malta, Nru. 19, 109, 12 ta' Lulju, 2013

Taqsimha B

L.N. 183 of 2013

**INSURANCE BUSINESS ACT
(CAP. 403)**

**Insurance Business (Supplementary Supervision of Insurance
and Reinsurance Undertakings in an Insurance Group)
(Amendment) Regulations, 2013**

IN exercise of the powers conferred by articles 63 and 64 of the Insurance Business Act, the Minister for Finance, after consultation with the Malta Financial Services Authority, has made the following regulations:-

1. (1) The title of these regulations is the Insurance Business (Supplementary Supervision of Insurance and Reinsurance Undertakings in an Insurance Group) (Amendment) Regulations, 2013, and these regulations shall be read and construed as one with the Insurance Business (Supplementary Supervision of Insurance and Reinsurance Undertakings in an Insurance Group) Regulations, hereinafter referred to as "the principal regulations".

Citation and scope.

S.L. 403.17

(2) The object of these regulations is to transpose Article 1 of Directive 2011/89/EU of the European Parliament and of the Council of 16 November 2011 amending Directives 98/78/EC, 2002/87/EC, 2006/48/EC and 2009/138/EC as regards the supplementary supervision of financial entities in a financial conglomerate.

2. Regulation 2 of the principal regulations shall be amended as follows:

Amends regulation 2 of the principal regulations.

(a) in the definition "insurance parent undertaking", for the words "which is either itself an insurance undertaking, a reinsurance undertaking or an insurance holding company", there shall be substituted the words "which is either itself an insurance undertaking, a reinsurance undertaking, an insurance holding company, or a mixed financial holding company"; and

(b) immediately after the definition "mixed-activity insurance holding company", there shall be added the following new definition:

" "mixed financial holding company" means a mixed financial holding company as defined in regulation 2 of the Financial Conglomerates Regulations;"

3. Regulation 3 of the principal regulations shall be amended as follows:

Amends regulation 3 of the principal regulations.

(a) in paragraph (b) thereof, for the words "is an insurance holding company, a non-EEA insurer or a non-EEA pure reinsurer", there shall be substituted the words "is an insurance holding company, a mixed financial holding company, a non-EEA insurer or a non-EEA pure reinsurer"; and

(b) in the proviso thereof, for the words "the non-EEA insurer, non-EEA pure reinsurer, insurance holding company or mixed activity insurance holding company taken individually", there shall be substituted the words "the non-EEA insurer, non-EEA pure reinsurer, insurance holding company, mixed financial holding company or mixed activity insurance holding company taken individually".

Adds a new regulation to the principal regulations.

4. Immediately after regulation 3 of the principal regulations, there shall be added the following new regulation:

"Level of application with regard to mixed financial holding companies.

3A. (1) Where a mixed financial holding company is subject to equivalent provisions under these regulations and under the Financial Conglomerates Regulations, in particular in terms of risk-based supervision, and where the competent authority is responsible for exercising supplementary supervision, the competent authority may, after consulting the other foreign authorities concerned, apply only the relevant provision of the Financial Conglomerates Regulations to that mixed financial holding company.

(2) Where a mixed financial holding company is subject to equivalent provisions under the Insurance Groups Directive and under Directive 2006/48/EC of the European Parliament and of the Council of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions (recast), in particular in terms of risk-based supervision, and where the competent authority is responsible for exercising supplementary supervision, the competent authority may, in agreement with the consolidating supervisor in the banking and investment services sector, apply only the provision of the directive relating to the most significant sector as determined in accordance with regulation 3(2), (3) and (4) of the Financial Conglomerates Regulations.

(3) Where the competent authority is the authority responsible for exercising supplementary supervision, it shall inform the European Banking Authority, established by Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010, and the European Insurance and Occupational Pensions Authority, established by Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010, of the decisions taken in sub-regulations (1) and (2).".

5. In sub-regulation (2) of regulation 6 of the principal regulations, for the words "it results that the solvency of a subsidiary insurer whose head office is in Malta or a subsidiary pure reinsurer whose head office is in Malta, of the insurance holding company, the non-EEA insurer", there shall be substituted the words "it results that the solvency of a subsidiary insurer whose head office is in Malta or a subsidiary pure reinsurer whose head office is in Malta of the insurance holding company, mixed financial holding company, the non-EEA insurer".

Amends
regulation 6 of
the principal
regulations.

