SUBSIDIARY LEGISLATION 487.08

INSURANCE DISTRIBUTION (PENALTIES AND OTHER MEASURES) REGULATIONS

1st October, 2018

LEGAL NOTICE 239 of 2018, as amended by Legal Notice 284 of 2026.

Citation and scope.

1. (1) The title of these regulations is the Insurance Distribution (Penalties and other Measures) Regulations.

(2) The purpose of these regulations is to implement, in part, Articles 31 and 33 to 35 of the Insurance Distribution Directive.

Application.

2. The provisions of these regulations shall apply, as applicable, to:

(a) persons registered or enrolled under the Act;

(b) authorised insurance undertakings and authorised reinsurance undertakings carrying out insurance distribution activities and reinsurance distribution activities;

(c) European intermediaries which have established a branch in Malta in terms of the European Passport Right for Intermediaries Regulations with respect to the matters for which the competent authority as the host Member State is responsible in terms of Article 7(2) of the Insurance Distribution Directive; S.L.487.07.

(d) European intermediaries which are subject to enhanced supervision by the competent authority, in terms of regulation 5 of the European Passport Right for Intermediaries Regulations and Article 7(1) of the Insurance Distribution Directive; S.L.487.07.

(e) European intermediaries which provides services in Malta in terms of the European Passport Right for Intermediaries Regulations. S.L.487.07.

Interpretation. *Amended by: L.N. 284 of 2026.*

3. (1) In these regulations, unless the context otherwise requires:

"the Act" means the Insurance Distribution Act; Cap. 487.

"administrative penalty" means a penalty which may be imposed and is recoverable by the competent authority without recourse to a court hearing;

"the competent authority" means the Malta Financial Services Authority established by the Malta Financial Services Cap. 330.

Authority Act;

"court penalty" means a penalty which is enforceable by prosecution in the courts of Malta;

"ESAP" shall have the same meaning as is assigned to it by article 2 of the Act;

"Financial Services Tribunal" shall be construed in accordance with article 50 of the Act;

"insurance-based investment product" has the same meaning as is assigned to it by article 2 of the Act; and

"Insurance Distribution Rules" has the same meaning as is assigned to it by article 2 of the Act;

"Schedule" means a schedule to these regulations.

(2) Words and expressions used in these regulations which are also used in the Act but which are not defined herein, shall have the same meaning as in the Act.

Classification of penalties.

4. (1) For the purposes of these regulations, penalties are divided into court penalties which are enforceable by prosecution in the courts of Malta and administrative penalties, and:

"court penalties" shall be construed in accordance with the provisions of the First Schedule; and

"administrative penalties" shall be construed in accordance with the provisions of the Second Schedule.

(2) With respect to a penalty of any level specified in the first column of the First Schedule which is a court penalty, the penalty shall be either the corresponding fine (*multa*) specified in the second column thereof or the corresponding period of imprisonment specified in the third column thereof, or both such fine (*multa*) and imprisonment.

(3) Without prejudice to the administrative penalties that may be imposed by the competent authority in terms of regulation 10(1)(e) and (f), with respect to an administrative penalty of any level specified in the first column of the Second Schedule the penalty shall be the corresponding amount specified in the second column thereof and where the competent authority deems necessary, the corresponding amount for each day during which the infringement continues specified in the third column thereof.

Imposition of court penalties and administrative penalties.

5. (1) Any person found guilty of an offence for having contravened a provision of the Act mentioned in the first column of the Third Schedule, with a corresponding general description of the offence set out in the second column thereof, shall be liable to the corresponding

penalty of the level specified in the third column of the said Schedule.

(2) For any failure by any person to comply with any provision of the Act mentioned in the first column of the Fourth Schedule, consisting in the corresponding act or omission described in the second column thereof, the competent authority may by notice in writing impose by way of an administrative penalty on the person concerned the corresponding penalty specified in the third column of the said Schedule, taking into account all the relevant circumstances as specified in regulation 11.

(3) Any description in the second column of the Third and Fourth Schedules of any offence, infringement and failure as respectively referred to in sub-regulation (1) and (2) shall not be relied on in interpreting the provision to which the offence or failure corresponds.

Application of certain penalties prescribed by the Insurance Business (Penalties for Offences and Infringements) Regulations. S.L. 403.06. Cap. 403.

6. The penalties specified in the Fourth Schedule to the Insurance Business (Penalties for Offences and Infringements) Regulations, prescribed by virtue of the Insurance Business Act, with reference to articles 29 to 31A of the said Act, shall apply with respect to infringements of the said articles as made applicable to the enrolled person by virtue of article 54 of the Act.

Supervisory powers and powers to impose penalties.

7. The competent authority shall exercise its supervisory powers, including its investigatory powers and its powers to impose penalties, in such a way as to ensure full and complete adherence to the requirements and obligations arising out of the Act and any regulations, Insurance Distribution Rules and Conduct of Business Rules issued thereunder, and any delegated acts and technical standards that may be issued under the Insurance Distribution Directive, either directly or in collaboration with overseas regulatory authorities, in terms of law and as warranted by the relevant circumstances, and shall take all measures necessary to ensure that such administrative penalties are implemented.

Administrative penalties and other administrative measures.

8. (1) Without prejudice to articles 52 and 53 of the Act and to the supervisory powers of the competent authority referred to in regulation 7, the competent authority may impose administrative penalties and other administrative measures in respect of breaches of the provisions of the Act and of any regulations, Insurance Distribution Rules and Conduct of Business Rules issued thereunder, and of any delegated acts and technical standards that may be issued under the Insurance Distribution Directive.

(2) The administrative penalties and other administrative measures taken pursuant to sub-regulation (1) shall be effective, proportionate and dissuasive.

(3) The competent authority may, by notice in writing and without recourse to a court hearing, impose administrative penalties or

other administrative measures, relating to breaches of the provisions of the Act and of any regulations, Insurance Distribution Rules and Conduct of Business Rules issued thereunder, which are applicable to persons registered or enrolled under the Act, to authorised insurance undertakings and authorised reinsurance undertakings, carrying out insurance distribution activities or reinsurance distribution activities in terms of the Act and to the members of the Board of Directors of such enrolled persons and insurance and reinsurance undertakings, where applicable, and to any other natural or legal persons who, under Maltese law, are responsible for such breach.

Investigatory powers of the competent authority and cooperation with European regulatory authorities.

9. (1) The competent authority shall have all the investigatory powers that are necessary for the exercise of its functions.

(2) In the exercise of its powers to impose administrative penalties and other measures, the competent authority shall cooperate closely with overseas regulatory authorities to ensure that any such sanctions and measures produce the desired results pursuant to the Insurance Distribution Directive and to the Act and any regulations, Insurance Distribution Rules and Conduct of Business Rules issued thereunder. The competent authority shall also coordinate its actions with such authorities when dealing with cross-border cases, while ensuring that the conditions are met for legitimate data processing in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), as amended from time to time.

Breaches, penalties and other measures.

10. (1) Without prejudice to the powers conferred on the competent authority under the provisions of the Act and of any regulations issued thereunder, in the event of any breaches of the Conduct of Business Rules, in relation to the distribution of insurance-based investment products, by an insurance intermediary registered or enrolled under the Act or by an authorised insurance undertaking, the competent authority may impose on such intermediary or undertaking, at least, the following administrative penalties and other measures:

(a) a public statement, which identifies the natural or legal person responsible for the breach and the nature of such breach;

(b) an order requiring the natural or legal person responsible for the breach to cease the conduct and to desist from a repetition of that conduct;

(c) in the case of an insurance intermediary registered or enrolled under the Act, the striking off of the name of such intermediary from the Agents Register, Managers Register, Brokers Register, Agents List, Managers List, Brokers List or

Tied Insurance Intermediaries List, as referred to in articles 16 and 41 of the Act, as applicable;

(d) a temporary suspension of any member of the Board of Directors of an insurance intermediary enrolled under the Act or of an authorised insurance undertaking, who is held responsible for the breach;

(e) in the case of a legal person, notwithstanding the penalties specified in the Second Schedule, the following maximum administrative penalties may be imposed:

(i) up to five million euro (€5, 000, 000) or up to 5 % of the total annual turnover according to the last available accounts approved by the Board of Directors. Where the legal person is a parent undertaking or a subsidiary of a parent undertaking which has to prepare consolidated financial accounts according to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/ EEC and 83/349/EEC, the relevant total turnover shall be the total annual turnover according to the last available consolidated accounts approved by the Board of Directors or equivalent body of the ultimate parent undertaking; or

(ii) up to twice the amount of the profits gained or losses avoided because of the breach, where those can be determined;

(f) in the case of a natural person, notwithstanding the penalties specified in the Second Schedule the following maximum administrative penalties may be imposed:

(i) up to seven hundred thousand euro (€700, 000); or

(ii) up to twice the amount of the profits gained or losses avoided because of the breach, where those can be determined.

(2) Without prejudice to the powers conferred on the competent authority under the provisions of the Act and of any regulations issued thereunder, the competent authority may impose any administrative measures, including an order requiring the natural or legal person responsible for the breach to cease the conduct and to desist from a repetition of that conduct, at least, in the event of the

following:

(a) breaches of article 6 of the Act, by a person acting as an insurance intermediary, a reinsurance intermediary or an ancillary insurance intermediary, and carrying out insurance distribution activities and reinsurance distribution activities, as applicable, without registration or enrolment;

(b) an authorised undertaking, an authorised reinsurance undertaking, an insurance intermediary or reinsurance intermediary using the insurance or reinsurance distribution services, as applicable, of persons referred to in paragraph (a);

(c) a person obtaining enrolment under articles 13, 37 and 43E of the Act, through false statements or any other irregular means;

(d) breaches of provisions the Act and Insurance Distribution Rules or Conduct of Business Rules issued thereunder, relating to requirements transposing Article 10 of the Insurance Distribution Directive;

(e) conduct of business requirements set out in Conduct of Business Rules.

Determination of the applicable penalties and other measures by the competent authority.

11. The competent authority shall, when determining the amount of administrative penalties imposed in terms of these regulations, or when taking other measures to be imposed on persons registered or enrolled under the Act, and on authorised insurance undertakings or authorised reinsurance undertakings, carrying out insurance distribution activities or reinsurance distribution activities, take into account all the relevant circumstances, including, where appropriate:

(a) the gravity and the duration of the breach;

(b) the degree of responsibility of the natural or legal person responsible for the breach;

(c) the financial strength of the natural or legal person responsible for the breach, as indicated by the annual income of the natural person or the total turnover of the legal person, as applicable;

(d) the importance of profits gained or losses avoided by the natural or legal person responsible for the breach, in so far as they can be determined;

(e) the losses for customers and third parties caused by the breach, in so far as they can be determined;

(f) the level of cooperation of the natural or legal person responsible for the breach with the competent authority;

(g) measures taken by the natural or legal person responsible for the breach to prevent repetition of such breach; and

(h) any previous breaches by the natural or legal person responsible for the breach.

Reporting of breaches.

12. (1) The competent authority shall establish effective mechanisms to enable and encourage the reporting to it, of possible or actual breaches of the provisions of the Act or of any regulations, Insurance Distribution Rules and Conduct of Business Rules issued thereunder.

(2) The mechanisms referred to in sub-regulation (1) shall, at least, include:

(a) specific procedures for the receipt of reports on breaches and their follow-up;

(b) appropriate protection, at least against retaliation, discrimination or other types of unfair treatment, for employees of insurance or reinsurance intermediaries enrolled under the Act or of authorised insurance undertakings or authorised reinsurance undertakings, carrying out distribution activities, and, where possible, for other persons, who report infringements committed within such intermediaries or undertakings; and

(c) protection of the identity of both the person who reports the breach and the natural person who is allegedly responsible for the breach, at all stages of the procedure unless such disclosure is required by Maltese law in the context of further investigation or subsequent administrative or judicial proceedings.

Right of Appeal.

13. In accordance with the provisions of article 50 of the Act any person upon whom the competent authority has imposed an administrative penalty in accordance with the provisions of regulation 5(2) may appeal in writing to the Financial Services Tribunal against the decision of the competent authority.

Recovery of administrative penalties.

14. Where a notice imposing an administrative penalty is served on a person and:

(a) such person fails to appeal within such time as an appeal may be entered, and fails to pay the penalty so imposed; or

(b) appeals within such time to the Financial Services

Tribunal and the appeal is withdrawn or the Tribunal confirms the penalty in the amount fixed by the competent authority or in an amount reduced by it, and the penalty is not paid within fifteen days from the date of the withdrawal of the appeal or the date when the Tribunal confirms the penalty as aforesaid, then, in every case, the competent authority shall be entitled to take civil action to recover the amount due to it and the administrative penalty shall be due to the competent authority as a civil debt.

Accessibility of information on the European single access point. *Added by: L.N. 284 of 2026.*

15. (1) For the purpose of making the information referred to in article 53A(1) and (2) of the Act accessible on ESAP, the collection body shall be the competent authority:

Provided that such obligation shall apply with effect from 10th January 2030.

(2) The information referred to in sub-regulation (1) shall comply with the following requirements:

(a) it shall be submitted in a data extractable format;

(b) it shall be accompanied by the following metadata:

(i) all the names of any natural or legal person, insurance intermediary, authorised insurance undertaking, authorised reinsurance undertaking or ancillary insurance undertaking to which the information relates;

(ii) the legal entity identifier of any legal person, insurance intermediary, authorised insurance undertaking, authorised reinsurance undertaking or ancillary insurance undertaking as specified in accordance with point (b) of Article 7(4) of the ESAP Regulation, where available;

(iii) the type of information, as classified in accordance with point (c) of Article 7(4) of the ESAP Regulation;

(iv) an indication of whether the information contains personal data.

FIRST SCHEDULE
(Regulation 4)

Penalties which are enforceable by prosecution in the courts of Malta

First Column	**Second Column**	**Third Column**
Level	Fine (*multa*)	Imprisonment
1	not less than €230 but not more than €18,600	not more than three months
2	not less than €9,300 but not more than €93,200	not less than one month but not more than six months
3	not less than €46,600 but not more than €466,000	not less than six months but not more than four years.

SECOND SCHEDULE
(Regulation 4)

Administrative penalties which may be imposed by the competent authority without recourse to a court hearing

First Column	**Second Column**	**Third Column**
Level	Penalty	Daily penalty
1	not less than €1,000 but not more than €23,000	not less than €15 but not more than €35
2	not less than €23,000 but not more than €50,000	not less than €25 but not more than €75
3	not less than €50,000 but not more than €150,000	not less than €60 but not more than €116.

THIRD SCHEDULE
(Regulation 5)

Court Penalties

First Column	Second Column	Third Column
Article	**Offence**	**Penalty Level**
52(1)(a)	Obtaining by deceit registration or enrolment under the Act, or pursuant to any provisions of this Act or any regulations, Insurance Distribution Rules or Conduct of Business Rules made thereunder	3
52(1)(b) with reference to 6	Acting as an insurance intermediary and carrying out insurance intermediaries activities in or from Malta without registration or enrolment	2
52(1)(b) with reference to 46(4)	Disclosing of information relating to the affairs of an enrolled person or a client of an enrolled person other than in specified circumstances	1
52(1)(c)	Any person who is knowingly a party to the carrying out of insurance distribution activities or reinsurance distribution activities, with a fraudulent intent or for a fraudulent purpose	3
52(1)(d)	Altering, suppressing, concealing, destroying or refusing to produce any document which is lawfully required to be produced by any person under the Act or under any regulations made thereunder	2
52(1)(e)	Obstructing a person exercising rights conferred by the Act or any regulations, Insurance Distribution Rules or Conduct of Business Rules made thereunder	2
52(2)	Knowingly being a party to, or procuring or aiding and abetting, any contravention of any provision of the Act or any regulations made thereunder or any Insurance Distribution Rules or Conduct of Business Rules	The penalty level applicable to the principal offence
Any other offence arising under any provision of the Act not specifically provided for in this Schedule		2

FOURTH SCHEDULE
(Regulation 5)

In this Schedule "Administrative Penalties" are those made under and for the purposes of article 3(2)(h) of the Act

Administrative Penalties

First Column	Second Column	Third Column
Article	**Offence**	**Penalty Level**
10(1)(a)(iv)	Failure of a person enrolled in the Agents List, Managers List or the Brokers List to maintain at all times an amount of unencumbered own funds as determined by Insurance Distribution Rules	2
10(1)(a)(v)	Failure of enrolled person to have in its favour at all times a professional indemnity insurance or other comparable guarantee satisfying the requirements of article 10(1)(a)(v)	2
11(2)	Opening a branch or setting up or acquiring a subsidiary, in Malta, without the approval of the competent authority	1
11(3)	Carrying out of insurance distribution activities or reinsurance distribution activities from a branch in Malta under the management of a person other than a person who is a registered person under the Act	1
11(4)	Carrying out insurance distribution activities or reinsurance distribution activities, opening a branch, office or other place of business, or setting up or acquiring a subsidiary, in a country outside Malta, without the written consent of the competent authority	2
12(1)(b)	Failure of a foreign company enrolled in the Agents List, Managers List or Brokers List to have in Malta at all times a branch, or a representative, or both	2
13(4)	Failure of person or company to comply with any condition of registration or enrolment	2
14(2)	Failure of displaying at the place of business in a part accessible to the public a certificate of registration or enrolment	1

14A	Failure of an intermediary or of its employees, carrying out insurance distribution activities or reinsurance distribution activities, to comply with continuing professional training and development requirements as may be determined by means of Insurance Distribution Rules and, or Conduct of Business Rules, as applicable, issued for the purposes of article 14A	1
17(4)	Failure of person having his name struck off the Agents Register, Managers Register or Brokers Register or person having its name struck off the Agents List, Managers List or Brokers List to surrender to the competent authority a certificate of registration or enrolment or any official copies thereof	2
19(1)(e)	Failure of an enrolled company or a foreign company in relation to its business in Malta to dissolve and wind up following the issue of an order by the competent authority	3
20(1)	Failure of enrolled person to keep in a separate account monies held in a fiduciary capacity in accordance with requirements as may be determined by Insurance Distribution Rules made for the purpose of article 20	3
21	Failure of enrolled person to effect and hold a fidelity bond as respects its insurance distribution activities in accordance with requirements as may be determined by Insurance Distribution Rules made for the purpose of article 21	3
23	Failure of enrolled company to notify the competent authority in writing, within a specified period, the name and the other particulars of the company's directors and employees who are registered in the Agents Register, Managers Register or Brokers Register; or to notify the competent authority in writing, within a specified period, any changes occurring among such directors and employees	1
24	Failure of enrolled company to forward annually to the competent authority a copy of the company's financial statements or failure of enrolled person to forward annually to the competent authority a copy of the income statements; or to forward such statements within a specified period or a period as may be authorised by the competent authority; or to forward a copy of such statements drawn up in accordance with the provisions of article 24	2

25(1)	Failure of enrolled person to submit to the competent authority any information which is necessary for the purposes of supervision, or to submit that information within a specified period;	1
25(2)	Failure of enrolled persons to forward annually to the competent authority statements in respect of insurance distribution activities or reinsurance distribution activities carried out by such person, or to forward such statements in the form, content and manner as may be determined by Insurance Distribution Rules made for the purposes of article 25(2)	1
26	Failure of enrolled person to notify the competent authority in writing of ceasing to carry out insurance distribution activities or reinsurance distribution activities, or to comply with any condition made by the competent authority in the permit to cease the business	1
27(2) or (3)	Failure of enrolled company to inform the competent authority in writing of altering its financial year	1
28(1)	Failure of person enrolled under article 13 of the Act to appoint approved auditor	2
28(5)	Failure of auditor to give notice in writing to the competent authority if he resigns, does not seek re- appointment, qualifies the audit report, or failure to specify reasons in the case of resignation	1
28(6)	Failure of enrolled company to give notice in writing to the competent authority if it receives notice of a resolution to appoint as auditor a person other than the retiring auditor or not to re-appoint the retiring auditor	1
28(7)	Failure of enrolled person to notify the competent authority in writing, or to notify the competent authority in writing within a specified period, the reasons for terminating the appointment of the enrolled person's auditor	2
28(8)	Failure of enrolled person to change auditor if so required by the competent authority	2
28(12) or (14)	Failure of auditor to inform the competent authority of any of the matters, facts and decisions provided by article 28(12) or (14)	2
31(1)	Negotiating, arranging or procuring with an unauthorised undertaking a contract of insurance relating to a risk situated in Malta or a commitment where Malta is the country of the commitment unless otherwise approved	1

32(3)	Failure of enrolled person to register with the competent authority an underwriting agreement made or entered into by the person	1
32(4)	Accepting of business of insurance under an underwriting agreement, by an enrolled person, without such underwriting agreement being duly registered by the enrolled person with the competent authority	1
33(1)	Acting as a tied insurance intermediary and carrying out tied insurance intermediaries activities without registration in any Tied Insurance Intermediaries Company Register of an undertaking and without enrolment in the Tied Insurance Intermediaries List	1
34(1)	Failure of authorised undertaking appointing persons to act as tied insurance intermediaries and to carry out tied insurance intermediaries activities on its behalf, to establish and maintain the Tied Insurance Intermediaries Company Register of the undertaking; or to establish and maintain the Tied Insurance Intermediaries Company Register of the undertaking in accordance with requirements as may be determined by Insurance Distribution Rules made for the purpose of article 34	2
36(2)	Failure of authorised undertaking to enrol in the Tied Insurance Intermediaries List a person registered by the undertaking as a tied insurance intermediary in the Tied Insurance Intermediaries Company Register established and maintained by it under article 37	1
36(3)	Failure of authorised undertaking to furnish a person in whose name a certificate of enrolment is issued with that certificate or an official copy thereof	1
36(4)	Failure of person enrolled in the Tied Insurance Intermediaries List of displaying at the place of business in a part accessible to the public the certificate of enrolment or an official copy thereof	1
37(2)	Failure of company enrolled in the Tied Insurance Intermediaries List carrying out tied insurance intermediaries activities from more than one place of business, to carry out those activities from each place of business by a person who is a fit and proper person to carry out such activities and who possesses appropriate knowledge and ability as determined by Insurance Distribution Rules issued for the purposes of article 35	1

37(4)	Seeking appointment and registration in the Tied Insurance Intermediaries Company Register of more than one authorised undertaking carrying on long term business in respect of any one class of long term business	1
37(5)	Seeking appointment and registration in the Tied Insurance Intermediaries Company Register of more than one authorised undertaking carrying on general business in respect of any one class, or any one group of classes, of general business	1
37(8)	Failure of person or company to comply with any condition of enrolment	1
38(1)	Failure of the tied insurance intermediary to keep in a separate account monies held in a fiduciary capacity in accordance with requirements as may be determined by Insurance Distribution Rules made for the purposes of article 38	3
40(1)	Failure of authorised undertaking striking the name of a person off its Tied Insurance Intermediaries Company Register to notify the competent authority in writing of that striking off or of the date of effect of that striking off	1
40(2)	Failure of authorised undertaking to strike the name of a person off its Tied Insurance Intermediaries Company Register on grounds of unfitness and improperness or because the person concerned has acted fraudulently, or dishonestly, or in such manner as to cease to be trustworthy	2
40(2)	Failure of authorised undertaking to notify the competent authority in writing the reasons for striking off that name when the undertaking strikes the name of a person off its Tied Insurance Intermediaries Company Register on specified grounds	1
40(4)(a)	Failure of authorised undertaking to strike the name of a person off its Tied Insurance Intermediaries Company Register if so required by the competent authority	2
40(7)	Failure of authorised undertaking to comply with a directive of the competent authority to hasten the process as striking the name of a person off its Tied Insurance Intermediaries Company Register if so required by the person concerned	2

40(8)	Failure of authorised undertaking to surrender to the competent authority the certificate of enrolment, or any official copies thereof, issued in the name of a person whose name has been struck off its Tied Insurance Intermediaries Company Register	1
41(2)	Failure of a person to comply with any measure taken by the competent authority for the purpose of article 41(2)	2
43	Acting as a tied insurance intermediary and carrying out tied insurance intermediaries activities on behalf of a European insurance undertaking or of an insurance intermediary registered under Article 3 of the Insurance Distribution Directive in a Member State or EEA State other than Malta, without enrolment in the Tied Insurance Intermediaries List	1
43A(1)	Acting as an ancillary insurance intermediary and carrying out ancillary insurance intermediaries activities without registration in any Ancillary Insurance Intermediaries Company Register of an authorised undertaking or of an enrolled insurance broker, and without enrolment in the Ancillary Insurance Intermediaries List	1
43B(1)	Failure of authorised undertaking or enrolled insurance broker appointing a person to act as ancillary insurance intermediaries and to carry out ancillary insurance intermediaries activities on its behalf, to establish and maintain the Ancillary Insurance Intermediaries Company Register of the undertaking or insurance broker; or to establish and maintain the Ancillary Insurance Intermediaries Company Register of the undertaking or insurance broker in accordance with requirements as may be determined by Insurance Distribution Rules made for the purpose of article 43B(1)	2
43D(2)	Failure of authorised undertaking or enrolled insurance broker to enrol in the Ancillary Insurance Intermediaries List a person registered by the undertaking or insurance broker as an ancillary insurance intermediary in the Ancillary Insurance Intermediaries Company Register established and maintained by it under article 43E	1
43D(3)	Failure of authorised undertaking or enrolled insurance broker to furnish a person in whose name a certificate of enrolment is issued with that certificate or an official copy thereof	1

43D(4)	Failure of person enrolled in the Ancillary Insurance Intermediaries List of displaying at the place of business in a part accessible to the public the certificate of enrolment or an official copy thereof	1
43E(4)	Failure of company enrolled in the Ancillary Insurance Intermediaries List carrying out ancillary insurance intermediaries activities from more than one place of business, to carry out those activities from each place of business by a person who is a fit and proper person to carry out such activities and who possesses appropriate knowledge and ability as determined by Insurance Distribution Rules issued for the purposes of article 43C	1
43E(9)	Failure of person or company to comply with any condition of enrolment	1
43F(1)	Failure of the ancillary insurance intermediary to keep in a separate account monies held in a fiduciary capacity in accordance with requirements as may be determined by Insurance Distribution Rules made for the purposes of article 43F	3
43H(1)	Failure of authorised undertaking or enrolled insurance broker striking the name of a person off its Ancillary Insurance Intermediaries Company Register to notify the competent authority in writing of that striking off or of the date of effect of that striking off	1
43H(2)	Failure of authorised undertaking or enrolled insurance broker to strike the name of a person off its Ancillary Insurance Intermediaries Company Register on grounds of unfitness and improperness or because the person concerned has acted fraudulently, or dishonestly, or in such manner as to cease to be trustworthy	2
43H(2)	Failure of authorised undertaking or enrolled insurance broker to notify the competent authority in writing the reasons for striking off that name when the undertaking or insurance broker strikes the name of a person off its Ancillary Insurance Intermediaries Company Register on specified grounds	1
43H(4)(a)	Failure of authorised undertaking to strike the name of a person off its Ancillary Insurance Intermediaries Company Register if so required by the competent authority	2

43H(7)	Failure of authorised undertaking or enrolled insurance broker to comply with a directive of the competent authority to hasten the process as striking the name of a person off its Ancillary Insurance Intermediaries Company Register if so required by the person concerned	2
43H(8)	Failure of authorised undertaking or enrolled insurance broker to surrender to the competent authority the certificate of enrolment, or any official copies thereof, issued in the name of a person whose name has been struck off its Ancillary Insurance Intermediaries Company Register	1
43I(2)	Failure of a person to comply with any measure taken by the competent authority for the purposes of article 43I(2)	2
43J	Acting as an ancillary insurance intermediary and carrying out ancillary insurance intermediaries activities on behalf of a European insurance undertaking or of an insurance intermediary registered under Article 3 of the Insurance Distribution Directive in a Member State or EEA State other than Malta, without enrolment in the Ancillary Insurance Intermediaries List	1
43L	Failure of an authorised insurance undertaking and an authorised reinsurance undertaking to inform, at least once a year, the competent authority of the names of the individuals within their management, who are responsible for the insurance distribution activities or reinsurance distribution activities of the undertaking, in the form, manner and content and within such date as may be determined by Insurance Distribution Rules made for the purposes of article 43L	1
43M(1)	Failure of an authorised insurance undertaking or an authorised reinsurance undertaking to ensure that their employees carrying out insurance distribution activities or reinsurance distribution activities, possess appropriate knowledge and ability as determined by means of Insurance Distribution Rules issued for the purposes of article 43M(1)	1

43M(2)	Failure of an authorised insurance undertaking or of an authorised reinsurance undertaking or their employees, carrying out insurance distribution activities or reinsurance distribution activities, to comply with continuing professional training and development requirements as determined by means of Insurance Distribution Rules and, or Conduct of Business Rules issued for the purposes of article 43M(2)	1
43N	Failure of an authorised insurance undertaking or an authorised reinsurance undertaking, carrying out insurance distribution activities or reinsurance distribution activities, to submit to the competent authority any information which is necessary for the purposes of supervision, or to submit that information within the specified period	1
43O	Failure of an authorised insurance undertaking carrying out insurance distribution activities to comply with Conduct of Business Rules issued for the purposes of article 43O	1 to 3
44(1)	Failure of registered or enrolled person to notify the competent authority in writing of any material change in documentation provided, or required to be provided, by or under any provision of the Act	1
44(2)(a)	Failure of enrolled company to submit in writing to the competent authority for its approval particulars of any proposed addition or alteration to the company's memorandum or articles of association or other instrument constituting the company	1
44(2)(b)	Failure of the enrolled company to inform the competent authority of the names of the persons holding a qualifying shareholding in the company and the percentage of such holding in the form, manner and content within such date as determined by Insurance Distribution Rules made for the purpose of article 44(2)(b)	1
44(3)(a)	Failure of a person enrolled under Part III of the Act to notify the competent authority on a continuous basis with any change or circumstance which may give rise to the existence of close links within the meaning of article 10	1
44(3)(b)	Failure of a tied insurance intermediary to notify any authorised undertaking appointing it, on a continuous basis, with any change in the information provided in article 37(1A)	1

44(3)(c)	Failure of an ancillary insurance intermediary to notify any authorised undertaking or an insurance broker, appointing it, on a continuous basis, with any change in the information provided in article 43E(2)	1
44(3)(d)	Failure of an authorised undertaking appointing, registering and enrolling a tied insurance intermediary or an ancillary insurance intermediary under Part VIII and Part VIIIA, respectively, to notify the competent authority, on a continuous basis, with any change in the information provided in article 37(1A) and 43E(2), respectively, as notified by the tied insurance intermediary or ancillary insurance intermediary concerned	1
44A(1)	Failure of person to obtain in writing the consent of the competent authority to acquire, increase, reduce or divest itself of a qualifying shareholding in an enrolled company	2
44A(3)	Failure of enrolled company and its directors to notify the competent authority of a person's intention to acquire increase, reduce or divest itself of a qualifying shareholding in the company	2
44A(5)	Failure of directors and qualifying shareholders of an enrolled company to notify the competent authority where the company intends to merge with another company, or to undergo reconstruction or division, or to increase or reduce its nominal or issued share capital or to effect any material change in voting rights	2
44A(6)	Failure of person to furnish the information required to be furnished as may be determined by Insurance Distribution Rules made for the purposes of article 44A	2
44A(8)	Failure of any person or any enrolled company to comply with an order issued by the competent authority	3
44A(9)	Failure of a foreign company enrolled under the Act to submit the information to the competent authority, not later than thirty days from the change or occurrence	1
44B	Failure of an insurance agent or an insurance broker enrolled under the Act to utilise the services of intermediaries enrolled under Parts VIII and VIIIA, as set out in the said Parts, or which are registered under Article 3 of the Insurance Distribution Directive or falling under Article 1(3) of the said Directive	1

48(1)	A person using the word "insurance" as part of his or its description or title or making any such use on any letter paper, in any notice or advertisement, or in any other similar manner, without the written permission of the competent authority	1
48(2)	Failure of foreign company or third country insurance undertaking or third country reinsurance undertaking to add any explanatory particulars to the company's or undertaking's name as directed by the competent authority	1
Any other infringement against any other provisions of the Act or any regulations, Insurance Distribution Rules or Conduct of Business Rules made thereunder, and failure of a person to comply with any condition, limitation, or requirement, or to satisfy any directive or order made or given under the Act or any regulations, Insurance Distribution Rules or Conduct of Business Rules, and not specifically provided for in this Schedule		1 to 3