L.N. 191 of 1998

INVESTMENT SERVICES ACT, 1994
(ACT NO. XIV OF 1994)

Investment Services Act (Amendment) Regulations, 1998

IN exercise of the powers conferred by section 12 of the Investment Services Act, 1994, the Minister of Finance and Commerce, acting on the advice of the Malta Financial Services Centre, has made the following regulations:–

Citation and commencement.

1. (1) These regulations may be cited as the Investment Services Act (Amendment) Regulations, 1998, and shall be read and construed as one with the Investment Services Act, 1994, hereinafter referred to as "the Act.".

(2) These regulations shall come into force on the 1st October, 1998.

Amends Second Schedule to the Act.

2. The Second Schedule to the Act shall be amended as follows:–

(a) in paragraph (c) of subsection (2) of section 1 thereof, for the words "or an insurance policy." there shall be substituted the words "or a contract of insurance, other than a contract of a kind specified in section 7 of this Schedule."; and

(b) immediately after section 6 thereof there shall be added the following new section:

"7. (1) Subject to the following provisions of this section, rights under a contract the effecting and carrying out of which constitutes business of insurance within the meaning of class III, linked long term, under the description of classes of long term business contained in the Second Schedule to the Insurance Business Act, 1998.

(2) Where the provisions of a contract of insurance are such that the effecting and carrying out of the contract -

(a) constitutes both long term business within the meaning of that Schedule and general business within the meaning of the Third Schedule to that Act; or

(b) by virtue of subsection (3) of section 5 of that Act constitutes long term business notwithstanding the inclusion of subsidiary general business provisions,

references in subsection (1) of this section to rights and benefits under the contract are references only to such rights and benefits as are attributable to the provisions of the contract relating to long term business.

(3) Subsection (1) of this section does not apply to rights under a contract of reinsurance.

(4) Rights falling within subsection (1) of this section shall not be regarded as falling within section 6 of this Schedule.".