L.N. 421 of 2007

INSURANCE BUSINESS ACT
(CAP. 403)

European Passport Rights for Insurance and Reinsurance Undertakings (Amendment) Regulations, 2007

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

Citation.

1. The title of these regulations is the European Passport Rights for Insurance and Reinsurance Undertakings (Amendment) Regulations, 2007 and they shall be read and construed as one with the European Passport Rights for Insurance and Reinsurance Undertakings Regulations, 2004, hereinafter referred to as "the principal regulations". L.N. 89 of 2004.

Amends regulation 11of the principal regulations.

2. Regulation 11 of the principal regulations shall be amended as follows:

(a) for the words in the marginal note thereto, there shall be substituted the words "Exercise of passport rights by Maltese reinsurance undertakings."; and

(b) immediately after subregulation (2) thereof, there shall be added the following new subregulations:

"(3) The prudential supervision of a Maltese reinsurance undertaking shall be the responsibility of the competent authority whether or not the reinsurance undertaking establishes a branch or provides services in another Member State or EEA State, without prejudice to those provisions of the Reinsurance Directive which give responsibility to the foreign authority.

(4) In the case of a Maltese reinsurance undertaking carrying on business of reinsurance in a Member State or an EEA State in exercise of a European right, where the competent authority receives from the foreign authority

information that the activities of the Maltese reinsurance undertaking might affect its financial soundness, the competent authority shall determine whether the Maltese reinsurance undertaking is complying with Maltese rules.

(5) For the purposes of subregulations (3) and (4) of this regulation, the prudential supervision shall include verification, with respect to the Maltese reinsurance undertaking's entire business, of its state of solvency, of the establishment of technical provisions and of the assets covering them in accordance with Maltese rules.".

Amends regulation 13 of the principal regulations.

3. Immediately after subregulation (2) of regulation 13 of the principal regulations, there shall be added the following new subregulations:

"(3) Where the competent authority has reason to consider that the activities of a European reinsurance undertaking, carrying on business of reinsurance in exercise of a European right, might affect its financial soundness, it shall inform the foreign authority.

(4) Where a European reinsurance undertaking carries on business of reinsurance in Malta through a branch in exercise of a European right, its supervisory authority may, after having first informed the competent authority, carry out itself, or through an intermediary it appoints for that purpose, on-site verification of the information necessary to ensure the financial supervision of the undertaking. The competent authority may participate in that verification.".

Ippubblikat mid-Dipartiment ta' l-Informazzjoni (doi.gov.mt) — Valletta — *Published by the Department of Information (doi.gov.mt) — Valletta*
Mitbugh fl-Istamperija tal-Gvern — *Printed at the Government Printing Press*

Prezz/*Price*
Lm0.04 (€0.09)