VERŻJONI ELETTRONIKA

Suppliment tal-Gazzetta tal-Gvern ta' Malta Nru. 18,920, 25 ta' Mejju, 2012
Taqsima B

L.N. 172 of 2012

INVESTMENT SERVICES ACT (CAP. 370)

Investment Services Act (Financial Capital Adequacy) Consolidation) (Amendment) Regulations, 2012

IN exercise of the powers conferred by article 12 of the Investment Services Act, the Minister for Finance, the Economy and Investment, acting on the advice of the Malta Financial Services Authority, has made the following regulations:-

Citation and commencement.

1. (1) The title of these regulations is the Investment Services Act (Financial Capital Adequacy Consolidation) (Amendment) Regulations, 2012 and these regulations shall be read and construed as one with the Investment Services Act (Financial Capital Adequacy Consolidation) Regulations, hereinafter referred to as "the principal regulations". S.L. 370.17

(2) The purpose of these regulations is to implement paragraph 10 of Article 1 of Directive 2010/76/EU of the European Parliament and of the Council of 24 November 2010 amending Directives 2006/48/EC and 2006/49/EC as regards capital requirements for the trading book and for re-securitisations, and the supervisory review of remuneration policies.

Amends regulation 1 of the principal regulations.

2. In sub-regulation (2) of regulation 1 of the principal regulations, for the words "the Directive", there shall be substituted the words "the Capital Requirements Directive".

Amends regulation 2 of the principal regulations.

3. Sub-regulation (1) of regulation 2 of the principal regulations shall be amended as follows:

(a) immediately after the definition "ancillary services undertaking" there shall be added the following new definition:

" "Capital Requirements Directive" means Council Directive 2006/48/EC of 14 June 2006, relating to the taking up and pursuit of the business of credit institutions (recast), as may be amended or updated from time to time, and includes any implementing measures that have been issued or may be issued thereunder;"; and

(b) the definition "the Directive" shall be deleted.

Amends the Schedule to the principal regulations.

4. The Schedule to the principal regulations shall be amended as follows:

(a) in paragraph (a) thereof, for the words "in terms of the Investment Services Rules", there shall be substituted the words "in terms of the Investment Services Rules. For the purposes of determining the appropriate level of own funds on the basis of the supervisory review and evaluation process carried out by the competent authority in terms of the relative Investment Services Rules, the competent authority shall assess whether any imposition of a specific own funds requirement in excess of the minimum level is required to capture risks to which investment firms are or might be exposed, taking into account the following:

(i) the quantitative and qualitative aspects of the investment firms' assessment process with respect to their internal capital adequacy assessment process;

(ii) the investment firms' governance arrangements, processes and mechanisms as referred to in the relative Investment Services Rules; and

(iii) the outcome of the review and evaluation carried out in accordance with the supervisory review and evaluation process referred to in the relative Investment Services Rules";

(b) in paragraph (d) thereof, for the words "investment firms; and", there shall be substituted the words "investment firms;";

(c) in paragraph (e) thereof, for the words "products and systems of investment firms.", there shall be substituted the words "products and systems of investment firms;"; and

(d) immediately after paragraph (e) thereof, there shall be added the following new paragraphs:

"(f) require investment firms to limit variable remuneration as a percentage of total net revenues when it is inconsistent with the maintenance of a sound capital base; and

(g) require investment firms to use net profits to strengthen the capital base.".

Ippubblikat mid-Dipartiment tal-Informazzjoni (doi.gov.mt) — Valletta — ***Published by the Department of Information (doi.gov.mt) — Valletta***
Mitbugħ fl-Istamperija tal-Gvern fuq karta riċiklata — ***Printed at the Government Printing Press on recycled paper***

Prezz/*Price*
€0.09