VERŻJONI ELETTRONIKA

I assent.

(L.S.) **MARIE LOUISE COLEIRO PRECA**
President

19th December, 2014

ACT No. XLII of 2014

AN ACT to amend the Local Loans (Registered Stock and Securities) Ordinance, Cap. 161.

BE IT ENACTED by the President, by and with the advice and consent of the House of Representatives, in this present Parliament assembled, and by the authority of the same, as follows:-

Short title and commencement.

Cap. 161.

1. (1) The short title of this Act is the Local Loans (Registered Stock and Securities) Ordinance (Amendment) Act, 2014, and this Act shall be read and construed as one with the Local Loans (Registered Stock and Securities) Ordinance, hereinafter referred to as "the Ordinance".

(2) This Act shall come into force on such date as the Minister responsible for finance may by notice in the Gazette establish.

Amendment of article 2 of the Ordinance.

2. Article 2 of the Ordinance shall be amended as follows:

(a) immediately after the definition "Accountant General" there shall be added the following new definition:

" "competent authority" means the Malta Financial Services Authority established by the Malta Financial Services Authority Act;"; and

Cap. 330

(b) immediately after the definition " "registered stock" or "stock" " there shall be added the following new definition:

" "Resolution Authority" means the authority established within the Malta Financial Services Authority through the Malta Financial Services Authority Act and which is responsible for the resolution of credit institutions and investment firms;".

Cap. 330

3. In sub-article (1) of article 4 of the Ordinance, for the words "Whenever by any enactment authority is given to the Minister responsible for finance to raise any sum of money by way of loan for any purpose mentioned in that enactment" there shall be substituted the words "Whenever under this Ordinance or by any enactment authority is given to the Minister responsible for finance to raise any sum of money by way of loan for any purpose mentioned in this Ordinance or in that enactment".

Amendment of article 4 of the Ordinance.

4. Immediately after article 4 of the Ordinance, there shall be added the following new article:

Addition of new article 4A to the Ordinance.

"The raising of money by way of loan.

4A. (1) The Minister responsible for finance may, in pursuance of the Recovery and Resolution Regulations made under the Banking Act and the Investment Services Act:

Cap. 371.
Cap. 370.

(a) further to a recommendation by the competent authority in consultation with the Resolution Authority, raise a sum of money by way of loan for the purpose of providing precautionary recapitalisation measures in favour of credit institutions in view of preserving financial stability; or

(b) further to a resolution action taken by the Resolution Authority in consultation with the competent authority, raise a sum of money by way of loan for the purpose of providing public backstop measures; or

(c) in close cooperation with the Resolution Authority, raise a sum of money by way of loan for the purpose of providing extraordinary public financial support through financial stabilisation tools.

VERŻJONI ELETTRONIKA

(2) For the purpose of sub-article (1), the Minister is hereby authorised to borrow sums of money on such terms and subject to such conditions as the said Minister may approve under the provisions of this Ordinance for such amount not exceeding any amount which the House of Representatives may from time to time by resolution authorise.".

Passed by the House of Representatives at Sitting No. 223 of the 16th December, 2014.

ANĠLU FARRUGIA
Speaker

RAYMOND SCICLUNA
Clerk of the House of Representatives
