

**L.N. 230 of 2017**

**INVESTMENT SERVICES ACT  
(CAP. 370)**

**Investor Compensation Scheme (Amendment) Regulations, 2017**

IN EXERCISE of the powers conferred by article 12 (1) of the Investment Services Act, the Minister responsible for Finance, acting on the advice of the Malta Financial Services Authority, has made the following regulations:-

Citation. **1.** The title of these regulations is the Investor Compensation Scheme (Amendment) Regulations, 2017 and they shall be read and construed as one with the Investor Compensation Scheme Regulations, hereinafter referred to as "the principal regulations".

S.L. 370.09.

Amends regulation 19 of the principal regulations. **2.** Regulation 19 of the principal regulations shall be amended as follows:

(a) in sub-regulation (1) thereof, for the words "The Scheme shall provide", there shall be substituted the words, "After a determination is made, in terms of regulation 13, the Scheme shall provide";

(b) sub-regulation (2) thereof shall be renumbered as sub-regulation (3) thereof;

(c) immediately after sub-regulation (1) thereof, as amended, there shall be added the following new sub-regulation (2):

Cap. 555. "(2) Notwithstanding the provisions of regulation 17, the Scheme shall also, in accordance with the provisions of article 26(3)(e) of the Arbitration Act, settle any judgment or arbitration award for up to twenty thousand euro (EUR 20,000), in respect of any civil liability which is obtained by an investor against a participant with regard to licensed business in respect of which there is a determination, and such payment shall be made within ten (10) working days from the day when the judgement or arbitration award becomes *res judicata*:"

Provided that following the settlement of any such amount by the Scheme, the maximum compensation sum payable to each investor in terms of regulation 17(1) shall be reduced by the amount settled by the Scheme in accordance with this sub-regulation."