VERŻJONI ELETTRONIKA



**L.N. 241 of 2018**

# INSURANCE BUSINESS ACT
# (CAP. 403)

## Insurance Business (Penalties for Offences and Infringements) (Amendment) Regulations, 2018

IN EXERCISE of the powers conferred by articles 64 and 67 of the Insurance Business Act, the Minister responsible for the regulation of Financial Services, after consultation with the Malta Financial Services Authority, has made the following regulations:-

Citation and commencement.

**1.** (1) The title of these regulations is the Insurance Business (Penalties for Offences and Infringements) (Amendment) Regulations, 2018, and they shall be read and construed as one with the Insurance Business (Penalties for Offences and Infringements) Regulations, hereinafter referred to as "the principal regulations".

S.L. 403.06.

(2) These regulations shall come into force on the 1st October 2018.

Amends regulation 3 of the principal regulations.

**2.** In sub-regulation (3) of regulation 3 of the principal regulations, for the words, "the corresponding amount specified in the second column thereof and the corresponding amount", there shall be substituted the words, "the corresponding amount specified in the second column thereof and, where the competent authority deems necessary, the corresponding amount".

Amends the Third Schedule to the principal regulations.

**3.** The penalties which are enforceable by prosecution in the Courts of Malta specified in the Second Column of the Third Schedule to the principal regulations shall be amended as follows:

(a) in article 67(2)(a) referred to in the First Column thereof, for the words, "pursuant to any provisions of this Act or any regulations or Insurance Rules made thereunder", there shall be substituted the words, "pursuant to any provisions of this Act or any regulations, Insurance Rules or Conduct of Business Rules made thereunder";

(b) in article 67(2)(b) referred to in the First Column thereof, for the words, "any regulations made thereunder or any Insurance Rules", there shall be substituted the words, "any regulations, Insurance Rules or Conduct of Business Rules made thereunder";

VERŻJONI ELETTRONIKA



(c) in article 67(2)(c) referred to in the First Column thereof, for the words, "conferred by the Act or any regulations or Insurance Rules made thereunder", there shall be substituted the words, "conferred by the Act or any regulations, Insurance Rules or Conduct of Business Rules made thereunder"; and

(d) in article 67(2)(f) referred to in the First Column thereof, for the words, "with any provision of the Act or of any regulations, or any Insurance Rules made thereunder,", there shall be substituted the words, "with any provision of the Act or of any regulations, Insurance Rules or Conduct of Business Rules made thereunder,".

Amends the Fourth Schedule to the principal regulations.

**4.** The administrative penalties which may be imposed and recoverable by the competent authority without recourse to a court hearing as specified in the Second Column of the Fourth Schedule to the principal regulations shall be amended as follows:

(a) in article 11(4) referred to in the First Column thereof, for the words, "an amount of eligible own funds in accordance with regulations", there shall be substituted the words, "an amount of eligible own funds in accordance with Insurance Rules";

(b) in article 18H referred to in the First Column thereof, for the words, "compliance by the authorised undertaking with the Act, regulations and Insurance Rules issued thereunder", there shall be substituted the words, "compliance by the authorised undertaking with the Act, regulations, Insurance Rules and Conduct of Business Rules issued thereunder";

(c) in article 43(1) referred to in the First Column thereof, for the words, "or required to be provided, by or under the Act", there shall be substituted the words, "or required to be provided, by or under the Act and any regulations, Insurance Rules or Conduct of Business Rules made thereunder";

(d) in article 47(1) referred to in the First Column thereof, for the words, "in a language as may be determined by Insurance Rules made for the purpose" there shall be substituted the words, "in a language as may be determined by Conduct of Business Rules made for the purpose";

(e) in article 48B referred to in the First Column thereof, for the words, "of insurance intermediaries enrolled under the Insurance Intermediaries Act or registered under Article 3 of Directive 2002/92/EC or registered or regulated to", there shall

VERŻJONI ELETTRONIKA



be substituted the words, "of insurance intermediaries, reinsurance intermediaries, tied insurance intermediaries and ancillary insurance intermediaries enrolled under the Insurance Distribution Act or registered under Article 3 of the Insurance Distribution Directive or registered or regulated to";

(f) immediately after the words "48B" in the First Column thereof and the corresponding words in the Second and Third Columns thereof, there shall be inserted the following new penalty:

| First Column | Second Column | Third Column |
|---|---|---|
| Article | Infringement | Penalty Level |
| "48D | Failure of an authorised insurance undertaking and an authorised reinsurance undertaking carrying out insurance distribution activities and reinsurance distribution activities in terms of the Insurance Distribution Act to comply with the appropriate provisions of the said Act, any regulations, Insurance Distribution Rules and Conduct of Business Rules made thereunder."; | 1 to 3"; |

(g) article 67(2)(e) referred to in the First Column thereof and the corresponding words in the Second and Third Columns thereof shall be deleted; and

(h) for the paragraph immediately following the words "67(2)(e)" in the First Column thereof, and its corresponding words in the Second and Third Column, as deleted, there shall be substituted the following:

| | Third Column |
|---|---|
| | Penalty Level |
| "Any other infringement against any other provisions of the Act or any regulations, Insurance Rules or Conduct of Business Rules made thereunder, and failure of a person to comply with any condition, limitation, or requirement, or to satisfy any directive or order made or given under the Act or any regulations, Insurance Rules or Conduct of Business Rules, and not specifically provided for in this Schedule. | 1 to 3". |

".

VERŻJONI ELETTRONIKA

**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 FSC —** ***Printed at the Government Printing Press on FSC certified paper***

**Prezz/*Price***
**€0.36**