

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

Public Notice - Maltese Cross Financial Services Limited

This notice provides an update on several developments relating to the Malta Financial Services Authority's investigation into the affairs of Maltese Cross Financial Services Limited, further to the Public Notices that were issued by the Authority on 7th August and 12th August 2014.

On 7th August 2014, the operations of the Company were suspended with immediate effect. Thereafter, on 12th August 2014, the Authority took regulatory action against Mr. Jean Claud Bugeja, one of the three Directors of the Company, whereby the approvals granted to him to act as a Director, Compliance Officer and Money Laundering Reporting Officer of the Company were revoked. The Authority also revoked its approval to Mr. Jean Claud Bugeja to provide investment services. In addition, the Authority has also issued a Directive in terms of Article 16 of the Malta Financial Services Authority Act and Article 15 of the Investment Services Act addressed personally to Mr. Jean Claud Bugeja, directing him to resign as a Director of the Company, to desist from providing any financial services, including investment advice; to desist from carrying out any functions within the Company; and not to access the Company's records, IT systems and offices.

The Authority has also established that the Company has a material shortfall in clients' assets, which shortfall appears to have arisen from the possible misuse and manipulation of such assets. As a consequence, certain investments which belonged to clients, but which were held by the Company, may have been lost. The Authority has taken and will continue to take the necessary action with the primary objective of safeguarding and protecting the interests of the Company's clients to the greatest extent possible.

The MFSA has been coordinating its efforts with the Police authorities and has informed them of its findings.

The circumstances which led to this situation continue to be subject of intensive and ongoing official investigations. These investigations will take some time before they can be brought to a conclusion.

While reminding investors that used the services of the Company that the Investor Compensation Scheme recently published a call for the submission of investor claims, the Authority recommends that investors seek legal advice in order to identify any other legal action that may better safeguard their rights at law.

Communications Unit
Malta Financial Services Authority
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