

L.N. of 2015

**INSURANCE BUSINESS ACT
(CAP. 403)**

Protection and Compensation Fund (Amendment) Regulations, 2015

IN exercise of the powers conferred by article 51 of the Insurance Business Act, the Minister for Finance, after consultation with the Malta Financial Services Authority, has made the following regulations:-

Citation. S.L. 403.13.	<p>1. (1) The title of these regulations is the Protection and Compensation Fund (Amendment) Regulations, 2015, and they shall be read and construed as one with the Protection and Compensation Fund Regulations, 2013, hereinafter referred to as “the principal regulations”.</p> <p>(2) These regulations shall come into force on the [].</p>
Amends regulation 2 of the principal regulations. Cap. 330.	<p>2. Regulation 2 of the principal regulations shall be amended as follows:</p> <p>(a) in sub -regulation (1) thereof:</p> <p>(i) the definition “the Authority” shall be deleted;</p> <p>(ii) immediately after the definition “business of motor insurance”, there shall be inserted the following new definition:</p> <p>“ “competent authority” means the Malta Financial Services Authority established by the Malta Financial Services Authority Act;”,</p> <p>(iii) in the definition “gross premiums”:</p> <p>(aa) for the words, “receivable by the company under reinsurance contracts accepted by the company</p>

	<p>but before deduction of premiums for reinsurance ceded and before deduction of commission payable by the company:”, there shall be substituted the words, “receivable by the insurance undertaking under reinsurance contracts accepted by the undertaking but before deduction of premiums for reinsurance ceded and before deduction of commission payable by the undertaking:”; and</p> <p>(bb) in the proviso thereof, for the words, “which is a company whose head office is in a country outside Malta, or a company whose head office is in Malta and carries on business of insurance in a country outside Malta,”, there shall be substituted the words “which is an undertaking whose head office is in a country outside Malta, or an undertaking whose head office is in Malta and carries on business of insurance in a country outside Malta,”;</p> <p>(iv) for the definition “insurer”, there shall be substituted the following:</p> <p>“insurer” in relation to the Fund, means an insurance undertaking authorised under the Act to carry on in Malta long term business or general business or an insurance undertaking which on the date of coming into force of these regulations is authorised thereunder to carry on both long term business and general business whether or not such business is, in each case, combined with business of reinsurance but excludes an undertaking whose business is restricted to reinsurance;”; and</p> <p>(b) in sub-regulation (2) thereof, for the words, “shall not apply to an authorised company which carries on solely and exclusively business of reinsurance”, there shall be substituted the words, “shall not apply to an authorised reinsurance undertaking”.</p>
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<p>Amends regulation 5 of the principal regulations.</p>	<p>3. In sub-regulation (1) of regulation 5 of the principal regulations, for the word, “Authority”, and wherever it appears throughout the regulations, there shall be substituted the words “competent authority”.</p>
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<p>Amends regulation 6 of the principal regulations.</p>	<p>4. In sub-regulation (5) of regulation 6 of the principal regulations, for the words, “may issue an insurance rule”, there shall be substituted the words “may issue Insurance Rules”.</p>
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Amends regulation 7 of the principal regulations.	<p>5. In sub-regulation (3) of regulation 7 of the principal regulations, for the words, “until the company proves to the satisfaction of the Authority”, there shall be substituted the words, “until the insurer proves to the satisfaction of the competent authority”.</p>
Amends regulation 8 of the principal regulations.	<p>6. In sub-regulation (1) of regulation 8 of the principal regulations, for the words, “of the gross premium income of the company”, there shall be substituted the words, “of the gross premium income of the undertaking”.</p>
Amends regulation 18 of the principal regulations.	<p>7. In paragraph (a) of regulation 18 of the principal regulations, for the words, “at the time the company concerned ceased to carry on such business”, there shall be substituted the words, “at the time the undertaking concerned ceased to carry on such business”.</p>
Amends regulation 23 of the principal regulations.	<p>8. Sub regulation (1) of regulation 23 of the principal regulations shall be amended as follows:</p> <p>(a) the definition “company” shall be deleted;</p> <p>(b) in the definition “judgement”, for the words, “which has become <i>res judicata</i>.”, there shall be substituted the words, “which has become <i>res judicata</i>.”; and</p> <p>(c) immediately after the definition “judgement”, there shall be added the following new definition:</p> <p>“ “undertaking” shall have the same meaning as is assigned to it in the Act.”</p>
Amends regulation 30 of the principal regulations.	<p>9. Regulation 30 of the principal regulations shall be amended as follows:</p> <p>(a) in the marginal note thereto, for the words, “to issue insurance rules.”, there shall be substituted the words “to issue Insurance Rules.”; and</p> <p>(b) in sub-regulation (1) thereof, for the words, “the Authority may issue insurance rules”, there shall be substituted the words, “the competent authority may issue Insurance Rules”.</p>