

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

Notice to Financial Services Licence Holders

International Sanctions

The MFSA brings to the attention of all Financial Services Licence Holders the coming into effect of restrictive measures by virtue of Regulations that have been issued recently by the Council of the European Union in respect of various regimes as shown hereunder.

These Regulations have immediate effect in Maltese Law and require no implementation measures. The full text can be viewed at the website of the Official Journal of the European Union or on the MFSA website - www.mfsa.com.mt - at “International Sanctions”.

1. RUSSIA

COUNCIL REGULATION (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine

This Regulation aims to restrict Russia's access to EU capital markets, by prohibiting EU nationals and companies buying or selling new bonds, equity or similar financial instruments with a maturity exceeding 90 days, issued by major state-owned Russian banks, development banks, their subsidiaries and those acting on their behalf. Services related to the issuing of such financial instruments, e.g. brokering, are also restricted.

2. CRIMEA and SEVASTOPOL

COUNCIL REGULATION (EU) No 825/2014 of 30 July 2014 amending Regulation (EU) No 692/2014 concerning restrictions on the import into the Union of goods originating in Crimea or Sevastopol, in response to the illegal annexation of Crimea and Sevastopol

COUNCIL REGULATION (EU) No 692/2014 of 23 June 2014 concerning restrictions on the import into the Union of goods originating in Crimea or Sevastopol, in response to the illegal annexation of Crimea and Sevastopol

These regulations restrict import of goods originating in Crimea or Sevastopol into the European Union and provision by EU companies of finance, financial assistance, insurance or re-insurance relating to the import of goods originating in Crimea or Sevastopol. Restrictions also ban new investments in various economic sectors in the region.

3. UKRAINE

COUNCIL IMPLEMENTING REGULATION (EU) No 826/2014 of 30 July 2014 implementing Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine.

COUNCIL IMPLEMENTING REGULATION (EU) No 810/2014 of 25 July 2014 implementing Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine

COUNCIL REGULATION (EU) No 811/2014 of 25 July 2014 amending Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine

These regulations are the most recent amendments to restrictive measures which are in place by virtue of Regulation (EU) No 269/2014.

4. SYRIA

COUNCIL IMPLEMENTING REGULATION (EU) No 793/2014 of 22 July 2014 implementing Regulation (EU) No 36/2012 concerning restrictive measures in view of the situation in Syria

The persons and entities listed in the Annex to this Regulation shall be added to the list set out in Regulation (EU) No 36/2012.

Licence Holders Obligations

The MFSA requires its licence holders to take note of all international sanctions as issued from time to time (including new designations of individuals and entities) and to exercise caution and vigilance in order to ensure that they do not in any way support activities, individuals or entities which are subject to sanctions or other restrictive measures. Licence holders have a legal obligation to comply with international sanctions and to take all steps as may be required for their immediate implementation. They are therefore required to monitor their business relationships and to verify their records on an on-going basis for any information or transactions known or suspected to be connected or related in any manner whatsoever with designated individuals and entities and to identify and freeze any funds, financial assets and economic resources in accordance with the requirements of the sanctions.

Reporting

Licence holders are also required to report the findings of their verifications to the MFSA and to inform the MFSA of any action taken. In particular, licence holders are to report and give all relevant details to the MFSA about any funds, financial assets and economic resources which have been identified to be owned or controlled, directly or indirectly, by the designated individuals and entities and which they have frozen in terms of sanctions.

Any relevant reporting to the MFSA is to be made within ten (10) days from the publication of this notice.

Information may be sent by mail to Director - Enforcement Unit or via email on enforcement@mfsa.com.mt.

Any person who identifies, holds and freezes any such funds, financial assets or economic resources is required to without delay notify in writing the Sanctions Monitoring Board at the Ministry of Foreign affairs.

Communications Unit

Malta Financial Services Authority

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