

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

Public Notice concerning D.B.R. Investments Limited

This notice is being issued in respect of D.B.R. Investments Limited (“DBR” and “the Company”) having registration number C-27129 and operating from ‘Deber’, Nigret Road, Zurrieq, and which holds a Category 2 investment services licence issued by the MFSA. DBR is licensed to: [i] receive and transmit orders; [ii] place instruments without a firm commitment basis; [iii] provide nominee services; and [iv] execute orders on behalf of clients. DBR is not licensed by the MFSA to provide any other type of financial services whatsoever. In particular, DBR is not licenced to transact in the business of banking or in the business of a financial institution.

As part of its supervisory functions, the Authority carried out a number of inspections at the offices of DBR. The last on-site inspection at DBR was held in October 2014 following which the Authority continued to monitor the company closely with respect to its investment services business. As a result of the Authority’s intervention, on the 23rd September 2015 the Company confirmed to the Authority that it had stopped taking on new investment services business and would only continue to service existing investment services clients.

On the 6th October 2015 the Managing Director and majority shareholder of DBR, Mr John Farrugia, passed away. The Company subsequently started to wind down its investment services business. It also came to the attention of the Authority that the late Mr John Farrugia might have carried out unauthorised financial services activities in his personal capacity. In this regard, a report was made to the Police. Investigations are underway to establish the extent to which DBR may be involved in these unauthorised activities.

In order to safeguard the interest of investors, in November 2015 the Authority directed the Company *inter alia* to transfer its existing clients to other service providers in an expedited manner. Investment services clients of the Company have been approached in this regard and the process of the transfer of clients’ assets and monies to other service providers is underway. The Authority is closely monitoring the orderly winding down of the Company’s investment services activities in the best interest of clients.

The Authority directed that all existing client records and documents are to be kept safe and not destroyed, erased or disposed of in any manner and should not be moved or transferred from the registered office of the Company. In addition, the directors, shareholders, other officers and employees of the Company were directed to retain and to desist from destroying, damaging or altering any documentation which may be in their possession relating to the Company and/ or its clients. Also, the Authority directed the directors, shareholders, other officers and employees of the Company to ensure that no assets are transferred from the Company, other than strictly for the payment of claims and legitimate expenses arising from the business of investments.

In order to safeguard the interests of investors the Authority has **today taken further steps by appointing Mr Paul Mercieca in terms of Article 15A of the Investment Services Act to take charge of the assets and to assume control of the Company's business.**

UPDATE

Mr Mercieca has fulfilled the tasks entrusted to him in terms of his appointment under Article 15A of the Investment Services Act. In view of such, his appointment has been concluded on 27 April 2020.

Communications Unit

Malta Financial Services Authority

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