

# MFSA

MALTA FINANCIAL SERVICES AUTHORITY

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## Note for Information

### **Amendments to Insurance Business (Assets and Liabilities) Regulations, 2007**

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On the 10<sup>th</sup> January 2014, the MFSA issued a consultation document regarding a possible amendment to the Insurance Business (Assets and Liabilities) Regulations, 2007. The deadline for the submission of comments was the 14<sup>th</sup> February 2014.

Following the consultation, and the feedback received from the insurance market, the MFSA is amending the [Insurance Business \(Assets and Liabilities\) Regulations](#) (the “Regulations”) 2007 to clarify the manner in which the equity yield for variable interest rate is calculated.

Subregulation (6) of regulation 68 of the Regulations has been amended to allow authorised companies to calculate the equity yield as the value of the dividend yield calculated in accordance with sub-regulation (5), if the dividend yield is more than the earnings yield. In the event that the dividend yield is less than the earnings yield, the equity yield shall be calculated as 50% of the sum of the dividend yield and the earnings yield.

As a consequence of the amendments of the amendments to subregulation (6), the Authority has also amended subregulation (7) of regulation 68.

The amendments to the Insurance Business (Assets and Liabilities) Regulations, 2007, herewith attached came into force on the 28<sup>th</sup> March 2014.

**Communications Unit**  
**Malta Financial Services Authority**

**23<sup>rd</sup> April 2014**