

# PUBLICITY GIVEN TO NOTICES TO CEASE TO CARRY ON BUSINESS OF INSURANCE

## CHAPTER 12

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# REVISIONS LOG



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1.00	22 December 2015	Issued
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## **12.1 Introduction**

- 12.1.1 This Chapter lays down Insurance Rules made pursuant to articles 4 and 39 of the Act relating to the manner in which an authorised insurance undertaking and an authorised reinsurance undertaking, are to publish the notice to cease to carry on business of insurance. This Chapter does not apply to a captive insurance undertaking and a captive reinsurance undertaking.
- 12.1.2 Section 12.2 (Publicity Given to Notices to Cease to Carry on Business of Insurance) of this Chapter lays down the form of publicity which an authorised insurance undertaking or an authorised reinsurance undertaking is required to give to the notices given to the competent authority to cease to carry on the business of insurance they are authorised to carry on amongst their policyholders and in the press and the manner in which such publicity should be given.

## **12.2. Publicity Given to Notices to Cease to Carry on Business of Insurance**

### *Form and manner of publicity*

- 12.2.1 Pursuant to article 39 and 40 of the Act, where an authorised insurance undertaking or authorised reinsurance undertaking gives notice in writing to the competent authority that it intends to cease wither wholly or partly to carry on the business of insurance it is authorised to carry on, such undertaking shall also give publicity to the matter amongst its policyholders and in the press in the form and manner hereunder determined.
- 12.2.2 The form and manner of publicity which the undertaking shall give to the matter shall be set out in paragraphs 12.2.3 to 12.2.6.
- 12.2.3 An authorised insurance or reinsurance undertaking shall publish in the press at its expense a publicity notice. The publicity notice is to be approved by the competent authority before publication and published by the undertaking in at least:
- (a) two daily local newspapers of which one is published in the Maltese language and the other in the English language where the risk is situated in Malta or a commitment where Malta is the country of commitment;

- (b) two daily newspapers where the risk is situated in a country outside Malta or a commitment where Malta is not the country of commitment, in such country and in the language of a risk or the country of the commitment.

12.2.4 In the case of an authorised insurance undertaking, such undertaking shall publish a publicity notice not less than twice at an interval of between twenty-five to thirty-five days between one publication and another during a period of not more than three months from the date of the first publication.

12.2.5 In the case of an authorised reinsurance undertaking, such undertaking shall publish a publicity notice at least once.

12.2.6 The date of the first publication of a publicity notice shall be agreed between the undertaking and the competent authority.

*Information to be Included in Publicity Notices*

12.2.7 Every publicity notice required to be published by the authorised insurance undertaking or authorised reinsurance undertaking shall include the following information:

- (a) the name, address of the principal place of business, business telephone, fax numbers and e-mail address of the undertaking;

- (b) in the case of a third country insurance undertaking or third country reinsurance undertaking, carrying on business of insurance through:

- (i) a local branch, in addition to the information required in indent (a) of this paragraph, the address, business telephone, fax numbers and e-mail address of such branch;

- (ii) a local branch in addition to the information required in indent (a) of this paragraph, and the business is carried on by an insurance manager, the name, business address, business telephone, fax numbers and e-mail address of the insurance manager;

- (c) the date when the authorised insurance undertaking or authorised reinsurance undertaking gave notice to the competent authority to cease to carry on the business of insurance it intends to cease to carry on;

- (d) the date proposed by the authorised insurance undertaking or authorised reinsurance undertaking on which to cease to carry on the business of insurance it intends to cease to carry on;
- (e) where the notice given to the competent authority by the authorised insurance undertaking or authorised reinsurance undertaking is:
  - (i) a notice to cease **wholly** to carry on the business of insurance the undertaking is authorised to carry on, the kind of business (*whether long term business or general business*) in respect of which the undertaking gave notice to cease to carry on;
  - (ii) a notice to cease **partly** to carry on the business of insurance the undertaking is authorised to carry on, the class or classes of business (*where the business concerned is long term business*) and the class or classes or the group or groups of classes (*where the business concerned is general business*) in respect of which the undertaking gave notice to cease to carry on;
- (f) the name, address of the principal place of business, business telephone, fax numbers and e-mail addresses of the person appointed by the authorised insurance undertaking under article 39 of the Act who shall be responsible for servicing or as the case may be, run-off the business of insurance in respect of which the undertaking gave notice to cease to carry on;
- (g) a statement that any further information will be supplied if requested;
- (h) a statement that publicity to the notice to cease either wholly or partly to carry on is given by the authorised insurance undertaking pursuant to article 39 of the Act;
- (i) a statement that the authorised insurance undertaking shall continue to discharge its obligations under the Act and, until all its obligations are fully discharged, the undertaking shall continue to be governed by the Act and regulated and supervised by the Malta Financial Services Authority;
- (j) any such other information which the competent authority or the authorised insurance undertaking with the approval of the competent authority may consider relevant to a publicity notice.

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