

## **Insurance Rule 13 of 2008**

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

#### **Rule pursuant to article 39 of the Act**

1. (1) This Insurance Rule on the publicity to be given to notices given to the Authority by authorised companies to cease either wholly or partly to carry on the business of insurance they are authorised to carry on (“this Rule”) is made by the Authority pursuant to, and for the purposes of, article 39 of the Act.

(2) This Rule shall come into force on the 1<sup>st</sup> February 2008.

#### **Application**

2. (1) This Rule applies, on continuing basis, to an authorised company which gives notice to the Authority to cease either wholly or partly to carry on the business of insurance it is authorised to carry on (the “company concerned”).

(2) This Rule does not apply to a company if its business of insurance is restricted to business of reinsurance or affiliated insurance.

#### **Scope**

3. The scope of this Rule is to determine -

(a) the form of publicity which companies concerned are required to give to notices given to the Authority to cease to carry on the business of insurance they are authorised to carry on amongst their policyholders and in the press; and

(b) the manner in which such publicity should be given.

## **Definitions**

4. In this Rule, unless the context otherwise requires -

“the press”, in relation to a publicity notice, means the local daily newspapers published in the Maltese language and the English language or, where the risk is a risk situated outside Malta or a commitment where Malta is not the country of commitment, in two daily newspapers in that country, to the exclusion of all other printed publications;

“publicity notice”, in relation to a notice given to the Authority by a company concerned to cease wholly or partly to carry on the business of insurance it is authorised to carry on, means a notice which includes the information set out in the Schedule to this Rule.

## **Publicity to be given to notices to cease to carry on business of insurance**

5. Where a company concerned gives notice in writing to the Authority that it intends to cease either wholly or partly to carry on the business of insurance it is authorised to carry on, the company shall give publicity to the matter amongst its policyholders and in the press in the form and manner as determined by this Rule.

## **Form and manner of publicity**

6. (1) The form and manner of publicity as determined by this Rule for the purpose of article 5 thereof is set out in the following paragraphs of this article; and only by complying with those requirements shall the company satisfy the provisions of article 39 of the Act in so far as they refer to the publicity which the company is required to give to the matter amongst its policyholders and in the press.

(2) The company shall publish in the press at its expense a publicity notice.

(3) A publicity notice is to be approved by the Authority before publication and published by the company in at least two daily local newspapers of which one is published in the Maltese language and the other in the English language.

(4) The company 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.

(5) The date of the first publication of a publicity notice shall be agreed between the company and the Authority.

### **Repeals and Savings**

7. (1) Saving the provisions of paragraph (2) of this article, Insurance Directive 13 of 1999 – Publicity Given to Notices to Cease to Carry on Business of Insurance, is hereby repealed.

(2) Every action, directive, instruction, guideline or order whatsoever taken or commenced thereunder, shall continue to be valid and in force, as if such action, directive, instruction, guideline or order whatsoever were taken or commenced under this Rule.

## SCHEDULE

(Article 6)

### Information to be Included in Publicity Notices

Every publicity notice required to be published by a company concerned pursuant to the Rule shall include the following information:

1. The name, address of the principal place of business, business telephone, fax numbers and e-mail address of the company.

2. In the case of a company whose head office is in a country outside Malta, where the company carries on business of insurance through -

(a) a local branch, the address, business telephone, fax numbers and e-mail address of the branch;

(b) a local branch 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) an insurance agent, the name, business address, business telephone, fax numbers and e-mail address of the insurance agent,

in each case, in addition to the information required by paragraph 1 of this Schedule.

3. The date when the company gave notice to the Authority to cease to carry on the business of insurance it intends to cease to carry on.

4. The date proposed by the company on which to cease to carry on the business of insurance it intends to cease to carry on.

5. Where the notice given to the Authority by a company is -

(a) a notice to cease **wholly** to carry on the business of insurance the company is authorised to carry on, the kind of business (*whether long term business or general business*) in respect of which the company gave notice to cease to carry on;

(b) a notice to cease **partly** to carry on the business of insurance the company 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 company gave notice to cease to carry on.

**6.** The name, address of the principal place of business, business telephone, fax numbers and e-mail address of the person appointed by the company concerned 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 company concerned gave notice to cease to carry on.

**7.** A statement that any further information will be supplied if requested.

**8.** A statement that publicity to the notice to cease either wholly or partly to carry on the business of insurance the company is authorised to carry on is given by the company concerned pursuant to article 39 of the Act.

**9.** A statement that the company concerned shall continue to discharge its obligations under the Act and, until all its obligations are fully discharged, the company shall continue to be governed by the Act and regulated and supervised by the Malta Financial Services Authority.

**10.** Any such other information which the Authority or the company concerned with the approval of the Authority may consider relevant to a publicity notice.