

## **Circular relating to the consultation process on the Conduct of Business Rulebook**

Further to the [Consultation Document](#) issued by the MFSA on the 11 April 2016 regarding the Conduct of Business Rulebook, Phase 2, the Authority would like to draw your attention to the following:

- On the 7 April 2016, the Commission notified the Council on the [Mifid II Delegated Directive on the safeguarding of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits](#). The Council has three months, until 7 July 2016, to object to it;
- On the 25 April 2016, the European Commission adopted the draft [MiFID II Regulation on organisational requirements and operating conditions for investment firms](#).

Some of the provisions of the aforementioned Directive and Regulation may affect the contents of various chapters of the Rulebook – both those issued for consultation in Phase 1 and those issued in Phase 2. The MFSA is currently updating these drafts accordingly and will update the industry in due course.

In the meantime, we would like to refer to Phase 2 of the consultation issued on the 11 April 2016 on the chapters dealing with Sales Process and Best Execution. In this regard, we would like to take this opportunity to remind you that any comments on these chapters should reach the MFSA by the **31 May 2016**. Comments may be sent by email on [csu@mfsa.com.mt](mailto:csu@mfsa.com.mt) or alternatively by conventional post and addressed to: **The Director – Conduct Supervisory Unit, Malta Financial Services Authority, Notabile Road, Attard.**

Any queries should be addressed to:

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