

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

Circular on the publication of a Delegated Regulation on Obligations of Depositaries required by UCITS V

On 17 December 2015, the European Commission adopted the first draft of [the UCITS V Delegated Regulation](#).

The Regulation sets out more detailed requirements on the UCITS V requirements affecting depositaries. In particular, the Delegated Regulation sets out provisions relating to issues including:

- Minimum requirements for the contract between the management company or the investment company and the depositary (Article 2);
- Obligations on the depositary relating to oversight, due diligence, segregation and insolvency protection (Articles 3 to 17);
- The conditions and circumstances in which financial instruments held in custody are considered to be lost (Articles 18 and 19); and
- Independence requirements for management companies, investment companies, depositaries and third parties to whom the safekeeping function has been delegated (Articles 20 to 24).

The UCITS V Delegated Regulation will implement UCITS V which will come into force on 18 March 2016. The Regulation still needs to go through a three-month objection period by the Council of the EU and the European Parliament before being published in the Official Journal and coming into force 20 days later.

Contacts

Please do not hesitate to contact Mr. Jonathan Sammut, Analyst, Securities and Markets Supervision Unit (jsammut@mfsa.com.mt) should you have any queries with respect to the above.

**Communications Unit
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