

**EQUITY RELEASE FINANCIAL PRODUCTS
GLOSSARY**

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REVISIONS LOG

VERSION	DATE ISSUED	DETAILS
1.0	13 th January 2020	Issued Glossary

GLOSSARY

This Glossary should be read in conjunction with the Rulebook on Equity release Financial Products (Rulebook). The purpose of this document is to define certain terms included in Chapters 1 to 5 of the Rulebook.

A

Advertisement

shall have the same meaning as that assigned to it in the Regulations

means any form or medium of marketing activity or communication, other than a prospectus, which promotes the purchase of the Equity Release Financial Product, and which is addressed by a creditor to a consumer. An advertisement shall not include the provision of a personal recommendation but shall include any advertisement which is disseminated to the public via all types of media. The form or medium of an advertisement may include any of the following:

- (a) addressed or unaddressed printed matter;
- (b) electronic message or advertisement received via a mobile telephone or pager;
- (c) standard letters;
- (d) press advertising with or without order form;
- (e) catalogue;
- (f) telephone with or without human intervention;
- (g) seminars and presentations;
- (h) radio;
- (i) videophone;
- (j) videotext;
- (k) e-mail;
- (l) fax;
- (m) television;
- (n) notice;
- (o) billboards;
- (p) posters;
- (q) brochure;
- (r) web posting including internet banners,

Advisory Services	means the provision of personal recommendations to a consumer in respect of one or more transactions relating to equity release financial products and constitutes a separate activity from the equity release financial product;
Annual Percentage Rate of Charge or APRC	means the total cost of the credit to the consumer, expressed as an annual percentage of the total amount of the credit, where applicable, including the costs referred to in regulation 29(2) and equates, on an annual basis, to the present value of all future or existing commitments (drawdowns, repayments and charges) agreed by the creditor and the consumer
Applicant	shall mean a Credit Institution or Financial Institution that applies for registration in the ERS List
Authority	shall mean the Malta Financial Services Authority
	B
Bank or Credit Institution	shall have the same meaning as that assigned to it in the Banking Act and which is licensed by the MFSA in terms of Article 5 of the Banking Act
	C
Complaint	Any oral or written expression of dissatisfaction, whether justified or not, from, or on behalf of, a person about the provision of, or failure to provide, a financial service or a redress determination, which: (a) alleges that the complainant has suffered (or may suffer) financial loss, material distress or material inconvenience; and (b) relates to an activity of that respondent in marketing or providing financial services or products, which comes under the jurisdiction of the competent authority.
Complainant	shall mean a Consumer who has filed a complaint with the Institution in relation to Equity Release Financial Products
Complaints Management Function	

Complaints Register	shall mean the register held by the Institution to register complaints of Consumers
Consumer	shall mean any individual who has attained pension age, as defined in the Social Securities Act (Chap. 318 of the laws of Malta), and who is acting for purposes which are not related to and outside his trade, business, craft or profession
Credit Agreement or Agreement	means an agreement whereby a creditor, grants or promises to grant, to a consumer, credit in the form of an equity release financial product, and shall be distinct from the public deed of loan
Credit Institution	shall have the same meaning as that assigned to it in the Banking Act and which is licensed by the Authority in terms of Article 5 of the Banking Act
D	
Data Protection Legislation	means the Data Protection Act and Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 5/46/EC, as may be amended from time to time, and includes any implementing measures, implementing technical standards, regulatory technical standards, guidelines and similar measures that have been or may be issued thereunder
Distance Contract	shall mean any Credit Agreement concerning an Equity Release Financial Product concluded between an Institution and a Consumer under an organised distance sales or service-provision scheme run by the Institution, who, for the purpose of that contract, makes exclusive use of one or more means of distance communication up to and including the time at which the contract is concluded
Durable Medium	means any instrument which enables the consumer to store information addressed personally to him in a way accessible for future reference for a period of time adequate for the purposes of the information and which allows the unchanged reproduction of the information stored

E

Equity Release Financial Product(s)	shall have the same meaning as that assigned to it in the Regulations
ERS List	shall mean the list of Institutions engaged in the provision of Equity Release Financial Products established and maintained by the MFSA in terms of Rule R.1.1.2
ERS Register	shall mean the register established in terms of Rule R.1.2.2
European Credit Institution	shall have the same meaning as that assigned to it in the European Passport Rights for Credit Institution Regulations (S.L. 371.11 of the Laws of Malta)
Execution only service	shall mean services which do not entail Advisory Services and is provided by the Institution after the customer has rejected the Advisory or Non-Advisory service and wants to proceed with the transaction

F

Financial Institution	means any person who regularly or habitually undertakes the carrying out of any activity listed in the First Schedule for the account and at the risk of the person carrying out the activity and who is licensed or registered under the Financial Institutions Act: Provided that any person offering equity release financial products shall be considered a financial institution irrespective of whether such equity release financial products are offered on a regular or habitual basis, or otherwise;
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in good time	in determining what constitutes disclosure of Information in good time, the Institution shall have regard to: 1. the Consumer's need for sufficient time to read, understand and take a decision on the basis on such disclosed Information;
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		<p>2. any specific circumstances or urgency, if any, which would affect the Consumer's decision to be made on the basis on such disclosed Information; and</p> <p>3. the nature of the Equity Release Financial Product which is the subject of the disclosure.</p>
	Information	shall mean any material provided to Consumers or potential Consumers by the Institution with the purpose of informing such Consumers or potential Consumers of any Equity Release Financial Product or aspect related thereto
	Institution	shall mean a Credit Institution or Financial Institution to which this Rulebook applies
	M	
	Mental Capacity	shall mean a consumer's ability to make a decision in relation to equity release financial products, in particular whether or not a consumer has the ability to understand, remember, and weigh up relevant information will determine whether the consumer is able to make a responsible decision in relation to equity release financial products based on that information
	MFSA	shall mean the Malta Financial Services Authority
	N	
	Non advisory services	shall refer to services which do not entail the provision of personal recommendations to a Consumer in relation to an Equity Release Financial Product
	O	
	Office of the Arbiter for Financial Services or Arbiter	shall mean the office established in terms of article 10 of the Arbiter for Financial Services Act (Cap. 555 of the laws of Malta)

	P	
Personalised Information		shall mean information of a personal nature, relating to the Consumer, required in order for the Institution to compare the Equity Release Financial Products available on the market, assess their implications and make an informed decision on whether to conclude a Credit Agreement
	R	
Regulations		shall mean the Equity Release Financial Products Regulations (L.N. 193 of 2019)/
Rulebook		shall mean this Equity Release Financial Products Rulebook
	S	
Social Media		shall mean all websites and digital applications that enable users to create and share content or participate in social networking. The following is a non-exhaustive list: blogs, microblogs (Twitter), social and professional networks (Facebook, LinkedIn, Google+), forums, image and video-sharing platforms (YouTube, Instagram, Vine, Pinterest)
Staff		shall have the same meaning as that assigned to it in the Regulations

Malta Financial Services Authority

Triq L-Imdina, Zone 1

Central Business District, Birkirkara, CBD 1010, Malta

communications@mfsa.mt

www.mfsa.mt