

26 January 2022

Circular addressed to Newly Authorised Company Service Providers which fall under the category of 'Under Threshold Class A CSP' or 'Under Threshold Class B CSP' in relation to the Regulatory Submissions due on 31 January 2022

Introduction

This notice contains important information with respect to newly authorised company service providers ("CSPs") who were classified as 'Under Threshold Class A CSP' or 'Under Threshold Class B CSP' in November 2021, following submission of an application for authorisation in terms of the transitory periods set out by the amendments to the Company Service Providers Act, by virtue of Act L of 2020.

Specific reference is being made to the following requirements emanating from the [Company Service Providers \("CSPs"\) Rulebook](#):

Certificate of Compliance

In terms of **R3-13.7** of the CSP Rulebook, CSPs are required to submit to the MFSA, on an annual basis, a Certificate of Compliance in the form set out in Annex 2 to the Rulebook.

Self-Declaration

Reference is also being made to the newly introduced requirement under **R4-5.1** of the CSP Rulebook whereby Under Threshold Class A CSPs and Under Threshold Class B CSPs are required to submit a self-declaration confirming that they still fall within the applicable thresholds to qualify for their classification, as defined in the CSP Rulebook. The Rule provides that such declaration should reach the Authority on 31 January of each respective year and it should cover the full preceding calendar year.

MFSA Position

In light of the above requirements and to exercise proportionality, the Authority would like to communicate that the above-mentioned regulatory submissions will not be required to be submitted for 2022 by the newly authorised Under Threshold Class A and Under Threshold Class B CSPs. The Authority would like to emphasize that this is a **one-time waiver for 2022 only**, on the basis that:

The information which would be provided in the Certificate of Compliance by the above-mentioned CSPs would only cover the period of one calendar (1) month from the date of authorisation and in this regard, the Authority is of the view that collecting such information at such an early stage of the CSP's authorisation is not required in order for the MFSA to discharge its regulatory functions.

The submission of the Certificate of Compliance by 31 January 2022, covering the period between 1 January to 31 December 2021, remains applicable for all other previously authorised company service providers.

All Under Threshold CSPs are reminded of their ongoing obligations in terms of **R4-5.3** and **R4-5.4** to inform the Authority immediately upon becoming aware of any changes in circumstances which lead to the CSP exceeding the applicable thresholds under the respective classification, and to take the necessary steps as set out in the said rules.

Further, the Authority wishes to remind those CSPs to which the forbearance detailed above applies that the next Certificate of Compliance and the self-declaration are due for submission on 31 January 2023 and CSPs are to ensure that the information submitted to the Authority is accurate and should cover the period of 1 January 2022 to 31 December 2022.

Should you have any queries, please contact us on fiduciariesoffsite@mfsa.mt.