

12 January 2022

Updates to Part BIV: Standard Licence Conditions Applicable to Investment Services Licence Holders which Qualify as Custodians

1. Introduction

As communicated in the [circular](#) issued by the Authority on 23 June 2021, in view of the implementation of the Investment Firms Regulation and Directive ("the IFRD"), the MFSA has opted to depart from the current categorisation applicable to Investment Service Licence Holders¹ ('ISLHs'). Further to [the changes made to Part A of the Investment Services Rules for Investment Services Providers](#), the Authority is hereby publishing a revised version of the Part BIV: Standard Licence Conditions Applicable to Investment Services Licence Holders which qualify as Custodians (the "Rules"). The aim of this Circular is to provide an outline of the main changes being implemented in the Rules.

The previous Rules will be retained on the MFSA website in the section '[Superseded Versions and Links](#)'.

2. Overview of the Changes to Part BIV of the Rules

The Rules have been amended to remove any references to the local nomenclature 'Categories' and accordingly Investment Services Licence Holders which provide custody services will now be classified as Depositary or Depositary Lite.

Furthermore, additional minor changes have been carried out such as (i) updates to the Personal Questionnaire section to reflect the new online process; (ii) updates of hyperlinks and email addresses; and (iii) updates to the cross-referencing to other rulebooks.

3. Conclusion

The new Rules shall apply as from the date of this Circular.

Going forward, the MFSA will also be issuing a new regulatory return for Depositaries who are neither licensed as Credit Institutions under the Capital Requirement Directive Framework nor as Investment Firms under the Markets in Financial Instruments Directive.

Any queries regarding this Circular should be directed to the Securities and Market Supervision function for the attention of the Investment Funds Team on fund@mfsa.mt.

¹ Holders of a Category 1, 2, 3, and/ or 4 investment services licence granted under the Investment Services Act, 1994.