

11 February 2026

Circular to Credit Institutions, Advisors and Representatives of Applicants for Authorisations, on the revised Banking Rule BR/01 on the Application Procedures and Requirements of Licenses for Banking Activities and the amendment to Banking Rule BR/24 on the Internal Governance

The Malta Financial Services Authority (the 'Authority') is hereby publishing a revised Banking Rule BR/01 on the Application Procedures and Requirements of Licenses for Banking Activities under the Banking Act, and an amended Banking Rule BR/24 on the Internal Governance of Credit Institutions Licensed under the Banking Act. Both Rules come into force with immediate effect.

1. Revision of Banking Rule BR/01 on the Application Procedures and Requirements of Licenses for Banking Activities under the Banking Act 1994

On the background of a number of developments related to the authorisation of credit institutions, the Authority deemed a revamp of Banking Rule BR/01 as necessary to ensure the rule remains relevant in the current regulatory framework.

The Rule has been enhanced by:

- a) **Integrating and cross referencing the MFSA's framework for Authorisations.** The updated Rule integrates the Authority's established Authorisations framework by making the necessary references to the dedicated MFSA Authorisations webpage.
- b) **Removing a number of redundant sections and updating others.** Whilst obsolete sections have been removed from the Rule, a number of others have been updated, including a new Section on the regulatory approval of individuals which assume key positions within a credit institution.
- c) **Further incorporating the role of the European Central Bank in the authorisation process.** Given the ECB's key role in the authorisation process, new reference has been made to the ECB's Guide to assessment of license applications and the criteria provided therein.
- d) **Removing the questionnaires annexed to the Rule and updating the notification form to establish a representative office in Malta.** With the exception of the notification form to set up a representative office in Malta, all questionnaires/forms

found in the Rule have been deleted since these can now be found in the Authority's Authorisations webpage. The former has been updated and remains annexed with the revised Rule.

e) **Referencing related MFSA published guidelines on authorisation.** The updated Rule makes appropriate references to key guidelines issued by the Authority, including the Application guidelines and those related to the Personal Questionnaire.

2. Amendments to Banking Rule BR/24 on the Internal Governance of Credit Institutions Licensed under the Banking Act

A new Section 6 under Part 2 has been added. This Section replicates and expands further on the regulatory approval for individuals which assume key positions. Amongst others, the new Section puts forward the institution's obligations following the resignation of members occupying these positions. Inclusion of this new section in BR/24 ensures that the principles relating to the approval of such individuals are respected also on an ongoing basis, and not only at authorisation stage.

Any queries in relation to the above should be directed to the Banking Supervision Policy and Legal team on bsupolicy@mfsa.mt.