Malta is host to a myriad of captive re/insurance companies, protected cell companies and cells that have come to enjoy the domicile's stable regulatory environment and EU membership benefits. Malta offers re/insurers and cells:

**European Union Membership** - Malta’s status as an EU member allows companies and cells the ability to passport their services throughout the European Union and EEA states. Maltese insurance law and regulation implements all relevant EU directives.

**Redomiciliation Legislation** - Companies established in other countries can seamlessly transfer to Malta without any break in their corporate existence.

**Protected Cell Legislation** - Protected Cell Companies can be incorporated in Malta, enabling cell promoters to write insurance through a cell. The law ensures proper protection and insulation of cell assets and liabilities from those of other protected cells and the core of the protected cell company.

**A Stable Regulatory Framework** - The Malta Financial Services Authority (MFSA) is reputed to be “firm but flexible” - encouraging discussion with promoters at all stages of an application process and also on an ongoing basis.

**Extensive Double Taxation Treaty Network** - Malta has 60 tax treaties with various EU and non EU countries.

more information on:
www.financemalta.org

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**Malta**

**flawless structure**

**seamless opportunities**

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**FinanceMalta investor guide series**

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FinanceMalta investor guide series insurance & pensions

Finance Industry Representative

FinanceMalta Chairman: Kenneth Farrugia

FinanceMalta, a non-profit public private initiative, was formally set up on the 21st May 2007 with the scope of promoting Malta’s international financial centre, both within, as well as outside, its shores. It brings together, and harnesses, the resources of the industry and government, to ensure that Malta maintains a modern and effective legal, regulatory and fiscal framework in which the financial services sector can continue to grow and prosper. The founding associations are: the Malta Funds Industry Association, the College of Stockbrokers, the Malta Bankers’ Association, the Malta Insurance Association, the Association of Insurance Brokers, and the Institute of Financial Services Practitioners. These associations, together with the Malta Insurance Management Association which is also affiliated with FinanceMalta, represent the financial services industry in Malta.

FinanceMalta investor guide series insurance & pensions

Finance Industry Regulator

Malta Financial Services Authority (MFSA) Chairman: Joseph Bannister

The Malta Financial Services Authority (MFSA) is the single licensing and supervisory authority for all financial services activity. The Authority is an autonomous public institution set up by law. The sector overseen by the MFSA includes banks, investment firms, insurance companies and financial intermediaries who provide a wide range of products and services on the domestic and international markets. The regulation of the Malta Stock Exchange also falls under the responsibility of the MFSA. The MFSA is further responsible for consumer education and consumer protection in the financial services sector. It also manages Malta’s Registry of Companies.

Malta Chambers of Advocates

The Malta Chambers of Advocates (MCA) is an umbrella organisation representing Malta’s Barristers and Solicitors. It is a voluntary association of over 1,000 advocates who are members of the Malta Bar. The MCA is an independent body, self-governing and responsible to the General Assembly, which is the democratically elected body of the members in the MCA.

Additional Resources

Malta Institute of Taxation
Level 1, Tower Business Centre Tower Street, Swatar IBXM7 000 Tel: (356) 2249 5900 Fax: (356) 2249 5905 E: info@mintax.org www.mintax.org

Malta Institute of Management (MIM)
Block 8, Orange Grove Birbal Street, Balzan IBXM4 000 Tel: (356) 2245 0000 Fax: (356) 2245 0007 E: info@milanagement.com www.milanagement.com

College of Stockbroking Firms
C/o Rizzo, Farrugia & Co. (Stockbrokers) Ltd, Airways House, 3rd Floor, High Street, Sliema IBXM4 000 Tel: (356) 2247 3873 Fax: (356) 2244 5423 E: info@stockbrokersmalta.com www.stockbrokersmalta.com

The Malta Chamber of Commerce, Enterprise and Industry
The Exchange Buildings Republic Street, Valletta IBXM4 000 Tel: (356) 2124 4000 Fax: (356) 2124 4001 E: info@malta.com www.mca-malta.org

The Institute of Directors (IoD) Malta
55, St Anthony Street Attard IBX7 000 Tel: (356) 2247 4000 Ext 1 E: jamesarigo@ marinamilling.com www.iod.com/malta

Malta Enterprise Corporation
Gwardamangia Hill Pieta’ MEC 000 Tel: (356) 2524 0000 E: info@maltaenterprise.com www.maltaenterprise.com

Society of Trust and Estate Practitioners (STEP) Malta
STEP (Malta) PO. Box 413, Old Bakery Street, Valletta Tel: (356) 21 378 828 Fax: (356) 21 378 839 E: malcolm.berker@ bentleyreid.com.mt www.step.org/branches/europe/malta.aspx

Association of Insurance Brokers (AIB)
C/o 171, Old Bakery Street, Valletta IBXM4 000 Tel: (356) 2259 6352 Fax: (356) 2244 9212 • General Mail: info@aibmalta.com www.aibmalta.com

The Malta Chamber of Advocates
Superior Courts, The Law Courts, Republic Street Valletta Tel: (356) 2124 8601 Fax: (356) 2124 3904 E: info@avukati.org www.avukati.org

Institute of Directors Practitioners (IFSP)
C/o 171, Old Bakery Street, Valletta IBXM4 000 Tel: (356) 2123 5406 Fax: (356) 2124 5223 E: info@financemalta.org • Website: www.financemalta.org

Malta Bankers’ Association (MBA)
48/2 Birktikara Road, Attard IBX7 000 Tel: (356) 2141 2210 / 2141 0572 Fax: (356) 2142 4580 E: info@maltabankers.org www.maltabankers.org

Malta Insurance Management Association (MIMA)
43A/2 St. Paul’s Buildings, West Street, Valletta IBXM4 000 Tel: (356) 2123 2640 Fax: (356) 2123 5406 E: miamsa@jmganado.com www.mima-malta.com

Malta Institute of Accountants (MIA)
Level 1, Tower Business Centre Tower Street, Swatar IBXM7 000 Tel: (356) 2249 5900 Fax: (356) 2249 5905 E: info@mia.malta.org www.mia.malta.org

Malta Funds Industry Association (MFFA) Chairman: Kenneth Farrugia
116 Archbishop Street, Valletta IBXM4 000 Tel: (356) 2259 5200 Fax: (356) 2259 5390 E: kfarriugia@vfbo.com www.mffa.org.mt

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43A/2 St. Paul’s Buildings, West Street, Valletta IBXM4 000 Tel: (356) 2123 2640 Fax: (356) 2123 5406 E: miamsa@jmganado.com www.maltainsurance.org

Finance Industry Associations

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Secretary-General: Kenneth Farrugia
FinanceMalta investor guide series insurance & pensions
Insurance Domicile at a Glance

All figures are quoted as at December 2012 unless otherwise indicated.

Located in the centre of the Mediterranean, two to three hours flight time from most European centres, the Maltese government and the industry are committed to putting Malta on the map as the foremost centre for international financial services in the Euro-Med region.


Sunshine: 300 days of sunshine a year

Temperature:
- Winter 12°C
- Summer 31°C

Rain: Annual rainfall 600mm

Currency: Euro

Time: 1 hour ahead of GMT

The total area in square kilometres of the Maltese Islands: 316

Sovereign Rating:
- A+ (Fitch 2011)
- BBB+/A-2 (Standard & Poor’s 2013)
- A3 (Moody’s 2012)

62 Double Taxation Treaties

Real GDP Growth Rate

2007 2008 2009 2010 2011 2012*

+1.2% -0.3% 12% 24% 25% 26%

Malta EU 27: 2.3% (December 2012)

Unemployment rate in Malta EU 27: 10.7% (November 2012)

Total GDP (2011)
- €6.5bn: Malta’s GDP per capita

Solvency Margin: Based on EU Directives

Premium Taxes: None

Insurance Vehicles
- Total of which are
- 11 Affiliated Insurance Companies (Captive)
- 8 Protected Cell Companies (January 2013)

Licence Application timeframe:
- Insurance Company: 6 months
- Captive/Reinsurance Company: 3 months

7 DAYS

IFRS

Accounting Standards

Insurance Centre

12% Contribution to GDP

Malta Financial Services Authority (MFSA), www.mfsa.com.mt

7 DAYS

Time to start a business

15 Insurance Managers

1200 Employees

17 Retirement Scheme Administrators

9 Retirement Scheme Administrators

Pensions Legislation:
- Special Funds (Regulation) Act

Finance Centre

126 Trust and Fiduciary Companies

58,000 Companies

10,000 Employees

2011

Sovereign Rating

A+

BBB+/A-2

A3

Fitch

Standard & Poor’s

Moody’s

2013

2012

2011

2007 2008 2009 2010 2011 2012

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Malta, a small island state at the heart of the Mediterranean, has quietly emerged as one of Europe’s most stable and innovative finance domiciles. Malta’s decisions to join the European Union in 2004 and the eurozone in 2008 have proved pivotal to its development as a major finance and business centre. Today, Malta has strong banking, insurance, fund and wealth management sectors that have attracted investment from the world’s leading financial institutions, blue-chip multinationals and high-net-worth individuals.

**International Finance Centre**

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### Country

**An English-speaking nation**

With a history stretching back thousands of years, Malta is the European Union’s smallest member state. However, the country’s size is no barrier and Malta has positioned itself as a hub for international business.

**Depth and breadth.** As a small nation, flexibility, innovation, competitiveness and adaptability have been elements of Malta’s development since the country began to fend for itself after independence from Britain in 1964. In the past few years, Malta has attracted record volumes of new business to its shores. Financial services have been identified as a key priority area for economic growth.

**Easy communication.** Inherited from the British, English is to this day the joint official language with Maltese, and is universally spoken and written. It is the language of legislation, education and business.

**Central base.** Malta’s capital city, Valletta, built by the Knights of St John in the 1500’s, is the main business centre and the administrative heart of the country.

**Full parliamentary support.** Malta’s political leaders have a pro-business attitude and are committed to further assisting the finance sector to grow and encouraging foreign investors to establish operations in Malta.

### Knowledge Economy

**One of Europe’s top performers**

In recent years, Malta has been ranked among the strongest EU economies in terms of GDP growth. Services underpin the Maltese economy, accounting for 75 per cent of GDP, while industry accounts for 23 per cent and agriculture for just 2 per cent.

**A holistic vision.** Malta is establishing itself as the number one knowledge-based economy in the Mediterranean region. ICT, life sciences, education and financial services are only some of the areas the country is targeting and which have successfully reshaped Malta’s economic landscape in recent years.

**Last in, first out.** The country’s economy was one of the least affected by the recent financial crisis and experienced one of the shortest recession periods in the EU.

**Recording growth.** Unlike many other European countries, Malta has been recording economic growth in the past years. After the economy contracted in 2009, Malta was able to post GDP growth of 3.7 per cent in 2010 and of 2.1 per cent in 2011. The country is expected to end 2012 with a GDP growth of 1.2 per cent which is predicted to rise to 1.6 per cent in 2013. At 6.9 per cent, Malta has one of the lowest unemployment rates in Europe. Unemployment in the EU stood at 10.7 per cent in November 2012.

**Aiming for more.** The development of the finance sector is part of long-term economic plans to increase its contribution to GDP from the current 12 per cent to 25 per cent in the coming years.
Finance Centre
A fully-fledged domicile
Malta’s resilience in the face of financial turmoil, economic recession and debt crisis has strengthened its position as a global financial services centre. Former niche industries have become pillars of the country’s economy.

Prepared for cross-border interaction. The country’s fund industry is booming as more and more fund managers recognise the island’s potential to serve as a springboard into Europe. The Net Asset Value of funds administered in Malta just broke the 10 billion euro mark.

Setting an example. The country’s banking system now consists of Maltese and international banks and is one of the soundest in the world. Bank of Valletta, the largest financial services provider on the island, passed the 2012 EU stress test with a strong capital buffer.

Growing wealth management location. The availability of a wide range of investment vehicles, among them also trusts and foundations, has made Malta a natural hub for wealth management and family offices in the region.

International expansion. From 2004, the insurance sector grew from 8 insurance companies servicing the local market to more than 15 insurance companies with business in other countries.

Competitiveness
A credible challenger
Malta regularly receives high rankings in benchmarking reports. In 2011, the European Commission viewed the competitiveness of Malta’s economy in terms of labour productivity as above average in an EU-wide comparison, while the country has improved its ranking in the Global Competitiveness Report 2012-2013 of the World Economic Forum, climbing from 54th place to 47th (out of 144 countries).

Tier 1 reputation. As an EU and eurozone member, Malta offers a regulatory framework that is fully harmonised with EU and OECD rules, yet offers a sophisticated and flexible platform for the financial services industry.

High performance. While global finance centres around the world struggled, Malta’s finance sector not only withstood the effects of the recent economic and financial downturn but posted year-on-year growth. Despite the international turmoil, Malta’s finance sector has expanded between 20 and 30 per cent annually.

Low risk environment. Malta is a European Union member and has a long-established and strong democratic tradition. Economic policies are liberal and the country is committed to an open business environment.

Quick start up time. A company can be incorporated in a couple of days. Malta’s regulator, the MFSA, has set timeframes for the approval of licence applications for financial services such as investment funds or insurance vehicles, with the option of fast-track applications for certain vehicles and service providers.

Market Access
A region of opportunities
Situated within two to three hours direct flight time from Europe’s major cities, EU membership and with it, the subsequent introduction of passporting rights, has accelerated growth in all sectors of Malta’s finance centre.

Wide range of market places. Malta offers instant access to an internal market of over 500 million people encompassing the 27 EU economies.

Good relationships. Malta has excellent relationships with its neighbouring Mediterranean countries and due to its geographic location, Malta is also an ideal stepping stone to the emerging markets of North Africa and the Middle East.

Post-crisis order. In a changing regulatory landscape with tighter requirements, Malta offers a safe EU location with a firm but flexible regulatory framework.

Follow the sun. Malta lies in a convenient time zone for doing business across the world: one hour ahead of GMT, meaning office hours coincide with Asia in the morning, Europe throughout the day and the US in the afternoon.

Infrastructure
A platform for business
Substantial investments in infrastructure and telecoms networks have created a highly sophisticated business environment.

Cutting-edge systems. Malta has overcome its geographical limitations by building up a state-of-the-art telecoms infrastructure. International connectivity is ensured by two satellite stations and four submarine fibre-optic links to mainland Europe.

Growing industry cluster. Malta’s finance industry is today made up of about 600 regulated entities, up from 180 at the end of 2004. In addition, around 11,500 other non-regulated entities operate in Malta and service international clients, offering legal and other support services.

Connected Marketplace. Malta’s excellent air and sea infrastructure and long-standing trade links with major ports in Europe, North Africa and Asia provide for a network of worldwide connections.

Affordable office space. Office space can be found all over Malta and rents are reasonable.
Sound regulatory framework and accessible regulator

The country’s legislation is in line with EU law and built on best practices from other finance centres. It caters for the regulation of investment funds, banking and insurance business, as well as investment service providers and trustees.

Efficient regulator. All financial services fall under one regulator, the Malta Financial Services Authority (MFSA). Companies benefit from streamlined procedures, reduced bureaucracy and lower regulatory fees.

Working in partnership. The regulatory framework is recognized as serious, while one of Malta’s most appreciated advantages is the accessibility of the MFSA, which establishes constructive working relationships with companies investing in Malta.

Tailored approach. The level of regulation depends in many areas on the experience and knowledge of the market player and the specific set-up.

The right tools. The possibility of re-domiciling companies into and out of Malta provides the option of preserving the continuity of a company’s legacy, reputation and financial track-record.

The highest standards of living at the heart of the Mediterranean

Lying at the centre of the Mediterranean Sea, between Europe and North Africa, Malta offers a refreshing change from other chaotic and high-cost finance centres.

Sun and sea. As a small Mediterranean island, Malta offers unrivalled, easy access to beautiful beaches where the sea and the sun can be enjoyed in equal measure.

So much more. The island boasts a diverse range of shopping, cultural and leisure activities in addition to well-equipped public and private hospitals and clinics. Malta’s educational system is excellent, and all personal needs – from private banking to tax planning – are catered for.

Relaxed atmosphere. Malta is renowned for its well-balanced work life rhythm. The country’s small size – it takes just 45 minutes to cross Malta – reduces commuting time and increases leisure time. With a very low crime rate, the country is also a safe place for families to live.

Exclusive living. The property market features a variety of top-of-the-range homes, including apartments, townhouses and villas, as well as excellent office space at reasonable rents.

Cost is one of the key drivers behind today’s business decisions. When compared to mainland Europe, Malta offers significant cost-advantages as a finance centre, making it a competitive alternative.

Facilitating business. Companies in Malta can benefit from the country’s extensive network of double taxation treaties as well as from a number of business promotional incentives.

The bottom line. Legal and accounting fees are lower than in most other European jurisdictions, as are other operational costs and salaries which are 20-30 per cent lower than those prevailing in the more established centres.

Malta’s workforce is multilingual and highly educated. Employment in the financial service sector has doubled during the period 2004 to 2012. Some 10,000 people are now employed in the sector.

Established service providers. Malta’s professional service firms have been at the forefront of the finance centre’s growth. At the same time many consultants and advisors have also gained experience overseas.

Part of global networks. Most of the country’s law firms are affiliated to international networks and many lawyers have post-graduate degrees in finance. Together with the big four accountancy firms, as well as many other accountancy and auditing practices, they service international clients.

Multilingual services. Ingrained with a British-influenced work ethic, most Maltese speak at least three languages – Maltese, English and Italian. Many also have knowledge of another language, usually French or German.
Insurance in Malta

Over recent years, Malta has built up a reputation for innovative financial services and products. Building on the country’s EU membership and a carefully crafted programme of legislative and regulatory reform, the country has proven attractive for companies that want to self-insure or reinsure through captives or cells of Protected Cell Companies.

Malta’s insurance industry has seen exorbitant growth in recent years. Insurance business is a licensable activity in Malta. As of September 2012, 57 insurance vehicles were licensed in Malta, of which 11 are captive insurance or affiliated insurance companies, and eight are Protected Cell Companies (PCCs). Only eight insurance companies licensed in Malta are active in the local market, a figure that reflects the international orientation of Malta’s insurance sector.

Industry Growth 2004-2012

Insurers & Reinsurers 2004-2012

Gross written premiums topped €2.2 billion in 2011, up from €1.5 billion in 2010 representing an increase of over 45 per cent. A similar increase of 45 per cent was seen between 2009 and 2010. While gross written premiums are now almost equally split between the life and the non-life segment, gross written premiums on foreign risk rocketed by 62 per cent from €1.2 billion in 2010 to €1.9 billion in 2011. They now account for more than 85 per cent of the total gross written premiums, with a large percentage of this business being pure reinsurance business.

Growing Industry Cluster

The growth of the insurance sector has also attracted growing numbers of insurance managers to Malta. 15 insurance management companies, among them well-known brand names, currently offer their services in Malta.
Who is here already?

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<th>Insurers - Affiliated Insurance Principals</th>
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<td>AztigoGlobal SE</td>
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Star Performer Insurance Sector

Key Reasons for Malta’s Success

The insurance sector is one of the star performers of Malta’s financial services industry. A number of Fortune 100 companies already have captives in Malta, among them multinationals such as BMW, Peugeot, Citroen and Vodafone. The key to Malta’s success in this sector lies in its EU membership, which allows companies licensed in Malta to write business in any of the other member states.

EU and EEA Passporting Rights

The majority of insurance vehicles were established in Malta after the country joined the European Union. Due to the passporting regime, insurance companies as well as brokers and other intermediaries can offer their services in any other EU or EEA member state. This has added to Malta’s attraction as an insurance domicile and has attracted insurers seeking a more cost-effective jurisdiction as well as non-EU insurance companies or intermediaries seeking to tap into the EU insurance market. They can provide insurance directly across Europe avoiding fronting costs and collateral requirements.

Business Model

Stand-alone Insurance/reinsurance company

Affiliated insurance/reinsurance company

Cell in a Protected Cell Company

Cell in an Incorporated Cell Company

Permitted Business

Insurers/Reinsurers

Self-insurance/Self-reinsurance

Self-insurance/Self-reinsurance

Self-insurance/Self-reinsurance

Self-insurance/Self-reinsurance

Variety of Insurance Structures

Maltese law recognises the differing requirements of business operators and provides a framework for general insurance business and captive insurance. Captive insurance companies, which are referred to as ‘Affiliated Insurance Companies’ (AICs) under Maltese law, enjoy a fast track application procedure and have attracted international companies wishing to self-insure or reinsure. Malta is also the only EU member state with legislation that allows for Protected Cell Companies (PCCs) and Incorporated Cell Companies (ICC). Both structures enable companies to write risks through cells within the core company and provide businesses with a cost-effective alternative to setting up a stand alone insurance company.

Solid Legal Foundation

As a result of Malta’s colourful history, the country’s legal system is noted both in the Anglo Saxon common law tradition and the Roman civil law. Maltese corporate law, however, is very firmly based on British models. This makes it easy for foreign practitioners to familiarise themselves with the country’s framework. Insurance business in Malta is mainly regulated by the Insurance Business Act and the Insurance Intermediaries Act. The Insurance Business Act provides for the authorisation and supervision of insurance companies by the MFSA, while the Insurance Intermediaries Act governs insurance agents, insurance brokers, insurance managers and tied insurance intermediaries. While both laws are fully EU compliant, they are also tailor-made to set up a variety of structures, including companies carrying on affiliated insurance business (captives), Protected Cell Companies, Incorporated Cell Companies, reinsurers and insurance intermediaries.
Malta’s regulator, the Malta Financial Services Authority (MFSA), has built a reputation in international circles as being a dynamic and flexible regulator. The MFSA has supported the growth of the sector through its stable and consistent approach to licensing and regulation. Understanding the needs of the industry, the MFSA encourages companies to consult with its officers at an early stage of deciding to set up in Malta to ensure a smooth running of the licensing process.

Approachable Regulator
Malta’s legal framework may provide a number of options for insurance companies to manage their solvency ratios under Solvency II, especially for smaller insurers. In Protected Cell Companies, for example, each cell is only obliged to hold capital needed to protect its risks, while the own funds requirements apply to the PCC as a whole. The MFSA is constantly working to ensure that the PCC regime is at all times in line with the Solvency II regime.

Similarly, PCCs potentially offer captive owners and third-party writers the opportunity to share the higher capital and management costs expected from the new rules. This reduces set-up expenses and running-overheads in a jurisdiction that already provides other cost-advantages.

Solution to Higher Solvency Margins
Particularly when compared to other finance centres, fees for professional services, salaries and other operational costs are low. The streamlined procedures of the MFSA, the single regulator for all financial services, have resulted in lower fees and compliance costs. Wages are one-third to half of those in other Western European jurisdictions.

Lower Operational Costs
Insurance companies and structures operating in Malta can benefit from the fully-fledged finance centre. Malta’s banking sector is strong and global custody service providers, among them HSBC and Custom House, as well as the top four accounting firms have a presence in Malta. The country’s legal firms are world class and most of them are part of international networks such as Lex Mundi and Lexis Nexis and are ranked on Chambers or Martindale-Hubbell.

Sophisticated Finance Infrastructure
The country’s infrastructure, including a state-of-the-art telecoms network, and its multilingual workforce, make Malta an interesting outsourcing destination for insurance companies, managers, brokers and other intermediaries. Malta has already built up a reputation as a call-centre destination and functions such as claims administration, analytics, customer care, policy administration or sales and distribution can be located to Malta with a view to reducing costs.

Outsourcing Destination
With its innovative legislation and operational advantages, Malta is possibly at the top of the list for companies that seek to relocate to another jurisdiction and require vehicles for specific needs such as third-party business or solutions to reinsurance issues. Malta’s re-domiciliation legislation allows for a seamless transfer of structures in and out of Malta, without the need to wind up operations. Maltese legislation allows re-domiciliation from all EU, EEA and OECD countries and from a number of other states such as the Bahamas, Bermuda, the British Virgin Islands, the Cayman Islands, Gibraltar, Guernsey, the Isle of Man, Jersey and Mauritius, which have the required provisions in their laws.

Easy Migration
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Varied Advisory Network
The smallest of the big four accountancy firms, ranging from well-known international names to more boutique establishments, are currently registered in Malta. They have the knowledge and experience to assist those who are new to the captive insurance market and can advise on the formation of as well as the day-to-day operation of an insurance business.

With financial services being a high-growth area, many professionals of other disciplines have developed insurance expertise, too. The country’s lawyers, for example, can assist in setting up insurance companies, as well as in obtaining a licence from the MFSA or other regulatory and compliance matters. The insurance sector in Malta is also strongly supported by a large number of accounting and auditing practitioners ranging from local practices to the global big four accountancy firms.

Wealth of Insurance Professionals
Employment in the insurance sector rose to 1,200, almost double the pre-EU accession level. Office and administrative support such as secretaries, bookkeeping and accounting, as well as insurance claims and policy processing clerks can easily be sourced in Malta. The language capabilities of the Maltese workforce provide a further advantage of which companies can avail.

While many professionals have obtained or still obtain their degrees abroad, Malta’s university also offers courses in insurance and finance. In addition, staff working across all sectors of the industry are being trained at various institutes in Malta and are ready to join the industry as claims adjusters or appraisers, amongst others. Senior management employees, such as actuaries have usually obtained their qualifications overseas, for example from the Institute of Actuaries in the UK.
Regulation & Licensing

As a full member of the European Union, insurance businesses that operate in Malta can benefit from harmonised EU legislation and regulation, while the country has also introduced its own regulatory measures that have increased its attractiveness as an insurance domicile. Malta is the only EU domicile with enacted Protected Cell Company (PCC) and Incorporated Cell Company (ICC) legislation, which makes it one of the most advantageous locations for insurance activities.

**The Malta Financial Services Authority**

Malta’s regulator, the Malta Financial Services Authority, is the single regulator for all financial services in Malta. The regulator is generally described as being open to the needs of insurance businesses but also firm in its approach to the regulation of the industry. The authority is very accessible to insurance professionals and companies that seek a solution to their insurance needs. The MFSA encourages regular consultation sessions throughout the licensing process of a potential insurance business to ensure that both the interests of the business and compliance with all regulatory standards are met.

**Legal Framework**

The insurance industry in Malta is regulated by two separate but complementary laws:

- **Insurance Business Act:** Provides for the authorisation and supervision of insurance companies by the MFSA.
- **Insurance Intermediaries Act:** Governs insurance agents, insurance brokers, insurance managers and tied insurance intermediaries.

Malta’s legislation provides for different types of insurance companies, including companies carrying on affiliated insurance business (captives), Protected Cell Companies, Incorporated Cell Companies, reinsurers and insurance intermediaries. The variety of insurance activities that can be licensed in Malta offers the industry a highly competitive market.

**Re-Domiciliation**

An insurance company or an insurance management company established in another jurisdiction can continue to exist in Malta under certain conditions and does not need to wind up in its country of incorporation. Maltese law allows foreign entities to re-domicile their business in Malta, if:

- The entity is formed and registered in an approved jurisdiction (including EU, EEA and OECD states as well as most offshore centres);
- The entity is similar in nature to a company under Maltese law;
- The laws of the country of incorporation allow re-domiciliation;
- The constitutive documents of the entity allow re-domiciliation;
- The entity is not in the process of dissolution or winding up.

**Re-Domiciliation Step by Step**

1. After the foreign company submits a licence application with the Authorisation Unit of the MFSA and an application to re-domicile with the Registry of Companies at the MFSA, the Registry will issue a provisional certificate of continuance.

2. This document is required for the issuance of a certificate of discontinuance in the exit jurisdiction.

3. Once this certificate is obtained and forwarded to the Registry of Companies in Malta, the provisional certificate of continuance will be replaced with a final certificate of discontinuance. This procedure ensures that the company is registered in at least one jurisdiction at all times. Should the insurers/reinsurers ever change their mind, Malta also allows companies to re-domicile out.

**Application Procedure**

Insurance companies, affiliated insurance companies, Protected Cell Companies (PCC), Incorporated Cell Companies (ICC) and cells in a PCC or ICC are required to apply for a licence with the Malta Financial Services Authority.

The application process for a licence follows the same pattern for all forms of insurance-related companies. The first step of any insurance programme should be a feasibility study, followed by a decision on which insurance structure fits the purpose. The insurance licence application consists of a formal application form which has to be submitted. A due diligence exercise is carried out on shareholders, directors and senior management of the company or the cell to determine that they are fit and proper persons. A detailed business plan or scheme of operations of the insurer’s proposed business also has to be submitted with the application in order for the MFSA to assess the feasibility of the proposal.

**The scheme of operations**

- should describe the business model and strategy;
- should include target markets and marketing plan;
- should include financial projections and resources;
- should describe the investment strategy;
- should describe personnel and internal controls;
- should include information on reinsurance or retrocession;
- should include agreements with third parties.

The application may be submitted in draft form first. After a first screening by the MFSA aimed at resolving any issues that may arise from the application as early as possible, a final version has to be handed over to the Authority.

The statutory maximum period for processing is six months for insurance companies, while a reduced period of three months applies to affiliated insurance companies and reinsurance companies.
Insurance Companies in Malta

Malta’s local insurance market is relatively small and concentrated. The country, however, is developing itself as a centre for ‘direct writers’. Fully-fledged insurance companies use Malta as an entry point and write third-party business throughout Europe from Malta.

A Maltese insurance undertaking is defined as a company authorised in terms of the Insurance Business Act, whose head office is in Malta, entitled to carry on business of insurance in a member / EEA state in exercise of a European Right. Reinsurance may only be carried out if entitled to carry on business of insurance in a member / EEA state in terms of the Insurance Business Act, whose head office is in Malta, entitled to carry on business of insurance in a member / EEA state in exercise of a European Right. Reinsurance may only be carried out if expressly authorised.

Insurance companies set up in Malta can write insurance business anywhere in the EU and EEA: in this sense Malta can serve as a base from which insurance companies can expand into the EU. Maltese insurance companies can write long-term business or general business of all classes.

Benefits of Direct Writers in Malta

Offices in a low-cost jurisdiction: The EU ‘passporting’ regime allows insurance companies to establish themselves in any member state and offer services ‘crossborder’ into any other EU country as long as they follow a simple notification procedure and observe local legislation.

Highly qualified staff are available: As an established finance centre, Malta has built up a pool of human resources, many of them have insurance-specific knowledge and qualifications.

State-of-the-art telecoms infrastructure: Although an island at the heart of the Mediterranean, Malta has overcome its physical limitations by establishing one of the most advanced telecommunications networks in Europe.

Access to regional markets: Because of Malta’s strategic location, the country does not only offer access to Europe but also to the emerging markets of North Africa and the Middle East.

Insurance & pensions

Key Features of Insurance Companies in Malta

Corporate Form: Limited Liability Company (can also be set up as Protected Company or Incorporated Cell Company)

Permitted Business: All classes, however, a company is not permitted to carry on long term business and general business unless:
- the long-term business is restricted to reinsurance;
- the general business carried on by the company is restricted to accident and sickness classes.

Licensing Timeframe: Six months

Redomiciliation allowed: Yes

Capitalisation:
- General Business: €2.5m or €3.7m, depending on class of business
- Long-term Business: €3.7m
- Insurance and Reinsurance: Combined: €2.5 - €4.4m, depending on class of business

Own funds are to consist of:
- Initial paid up share capital which must not be less than 30 per cent of the value of Own Funds requirement, cumulative preferential share capital, subordinated loans, retained profits, reserves other than reserves corresponding to the technical provisions and where applicable, the equalisation reserves and securities with no specified maturity date and other instruments including cumulative preferential shares.

Technical Provisions: Calculated in accordance with regulations modelled on EU directives.

Financial Reporting Requirements:
- Audited accounts under IFRS
- Accounts to be published in local newspapers in abridged form.

Regulatory Fees:
- Acceptance of Application for long term business minimum fee of €1,000 plus €250 per class (one-time fee, non-refundable irrespective of whether the application is accepted or refused);
- Acceptance of Application for general business minimum fee of €750 plus €75 per class (one-time fee, non-refundable irrespective of whether the application is accepted or refused);
- Acceptance of Application for long term business minimum fee of €1,000 plus €250 per class;
- Acceptance of Application for general business minimum fee of €750 plus €75 per class;
- Continuance of Authorisation Annual fee according to Schedule in the Insurance Business (Fees) Regulations.

Solvency Margin: Calculated in accordance with regulations modelled on EU directives.
Reinsurance Companies in Malta

Malta is also gaining a reputation as an ideal jurisdiction for risk and reinsurance solutions. In recent years, the country has welcomed some of the most respected names in the industry. With more companies expected to identify a need for an EU location to serve their clients, the sector is poised for growth.

Reinsurance is about transferring the risks of insurance companies to third-party organisations. In other words, it is insurance for insurance companies (including captives and cell companies). Spreading risk is at the core of insurance business and for insurance companies this involves spreading their own risks. Companies in Malta can either be authorised to carry on insurance and reinsurance activities or only insurance or reinsurance.

Benefits of Reinsurance in Malta

**Spreading of risk:** Insurance typically comes at a guaranteed cost, and there is little incentive to improve risk management as there is no participation in the profitability of the insurance programme.

**Availability of a wide range of structures:** Reinsurance can be provided through a stand-alone reinsurance company, a reinsurance captive or cell companies.

**Offices in a low-cost jurisdiction:** The EU ‘passporting’ regime allows insurance companies to establish themselves in any member state and offer services ‘crossborder’ into any other EU country as long as they follow a simple notification procedure and observe local legislation.

**Highly qualified staff are available:** As an established finance centre, Malta has built up a pool of human resources, many of them have insurance-specific knowledge and qualifications.

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**Key Features of Reinsurance Companies**

**Corporate Form:** Limited Liability Company (can also be set up as Protected Cell Company or Incorporated Cell Company)

**Permitted Business:** Long-term business of reinsurance and general business of reinsurance

**Licensing Timeframe:** Six months

**Redomiciliation allowed:** Yes

**Capitalisation:** €3.4m or €1.2m if carried out through a captive and business is restricted to reinsurance. Own funds are to consist of: initial paid up share capital which must not be less than 50 per cent of the value of Own Funds requirement; cumulative preferential share capital, subordinated loans, retained profits, reserves other than reserves corresponding to the technical provisions and where applicable, the equalisation reserves and securities with no specified maturity date and other instruments including cumulative preferential shares.

**Solvency Margin:** Calculated in accordance with regulations modelled on EU directives.

**Technical Provisions:** Calculated in accordance with regulations modelled on EU directives.

**Intercompany Loans:** Allowed with approval from the Malta Financial Services Authority.

**Financial Reporting Requirements:** Audited accounts under IFRS.

**Regulatory Fees:**
- Application for Authorisation for long term business minimum fee of €1,000 plus €250 per class (one-time fee, non-refundable irrespective of whether the application is accepted or refused);
- Application for Authorisation for general business minimum fee of €750 plus €75 per class (one-time fee, non-refundable irrespective of whether the application is accepted or refused);
- Acceptance of Application for long term business minimum fee of €1,000 plus €250 per class;
- Acceptance of Application for general business minimum fee of €750 plus €75 per class;
- Continuance of Authorisation (Annual fee according to Schedule in the Insurance Business (Fees) Regulations).
Captives in Malta

Malta’s accession to the EU attracted an influx of captives and the country is now recognised as a sophisticated jurisdiction for captives. Maltese captives can insure the risks of a wide range of persons, ranging from individuals to parent companies or group undertakings.

A captive is a company formed by its owners to insure or reinsure the risks of its parent and/or subsidiaries. Association captives are also permitted. In Maltese law, a captive insurance is referred to as ‘Affiliated Insurance Company’ (AIC).

Captives in Malta can insure risks originating from:
- the parent company;
- associated or group companies;
- individuals or other entities having a majority ownership or controlling interest;
- members of an association or an organisation or a particular trade, industry or profession.

Captives in Malta can also be registered or converted to a Protected Cell Company (PCC).

Captive reinsurance companies are restricted to reinsure risks arising from:
- the undertaking(s) to which they belong or group companies;
- the undertaking(s) to which they belong or group companies; and
- individuals or other entities having a majority ownership or controlling interest;
- members of an association or an organisation or a particular trade, industry or profession.

Captive reinsurance companies are restricted to reinsure risks arising from:
- the parent company;
- associated or group companies;
- individuals or other entities having a majority ownership or controlling interest;
- members of an association or an organisation or a particular trade, industry or profession.

Benefits of Using a Captive

Solution to market limitations: Captives can provide cover for risks that is not available or unaffordable in the traditional insurance market.

Improved and flexible risk management: Policies are custom-designed and specially tailored to the needs of the insured.

Reduced risk financing expenses: Lower transaction costs and administration expenses compared to traditional insurance programmes. Companies can also retain underwriting profit and investment income earned on loss reserves.

Better cash flow management: Companies have control over the payment or premiums and the timing and payment of claims. They can direct the flow of funds to and from the captive according to their own investment strategy. This leads to a more efficient use of capital.

Direct access to reinsurers: Companies can buy excess loss protection on a wholesale basis rather than on a retail basis (traditional insurance policy). They can provide cover for risks that is not available or unaffordable in the traditional insurance market.

Coordinated risk management: Multinational companies can use a captive to manage risks at group level and centralise their insurance programmes. This is achieved by improved risk awareness and cost-transparency.

Protection from price fluctuations: Pricing swings occur periodically in the traditional marketplace. Companies using a captive can negotiate a premium established on the basis of their own loss experience. Other market factors and loss experiences of other insured parties have no effect.

Key Features of Captives

Corporate Form: Limited Liability Company

Permitted Business:
- Direct captive: Life and non-life business must be transacted in separate companies
- Reinsurance captive: All classes of life and non-life business

Licensing Timeframe: Three months

Redomiciliation allowed: Yes

Own funds:
- Insurance Captive – General Business – min. €2.5 m/€3.7 m, depending on class of business
- Reinsurance Captive – Restricted to Reinsurance – min. €1.2 m
- Insurance and Reinsurance Captive – Combined – €2.5 m to €3.7 m, depending on class of business

Own funds are to consist of: the initial paid up share capital which must not be less than 50 per cent of the value of Own Funds requirement; and a mixture of issued and unpaid share capital, preferential share capital, subordinated loans, retained profits and reserves. However, the MFSA usually requests that 100 per cent of the initial own funds requirement consists of paid-up capital.

Solvency Margin: Calculated in accordance with regulations modeled on EU directives.

Technical Provisions: Calculated in accordance with regulations modeled on EU directives.

Guarantee Fund: Greater of: 1) Minimum Guarantee Fund or 2) the value of one-third of the margin of solvency or Malta margin of solvency (as applicable).

Intercompany Loans: Allowed with approval from the Malta Financial Services Authority.

Financial Reporting Requirements: Audited accounts under IFRS. Exempt from:
- publishing accounts in local newspapers;
- contributing to the Protection and Compensation Fund;
- covering technical provisions by equivalent and matching capital assets to cover currency risk;
- localisation rules and custody of assets rules;
- the payment of duty on any contract of insurance relating to a risk situated in Malta and depositing a minimum guarantee fund with an external institution.

Regulatory Fees:
- Application for Authorisation: €1,800
- Continuance of Authorisation (annual): €5,000
- Continuance of Authorisation (annual): €5,000

Continuance of Authorisation (annual): €5,000

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- Direct captive: Life and non-life business must be transacted in separate companies
- Reinsurance captive: All classes of life and non-life business

Licensing Timeframe: Three months

Redomiciliation allowed: Yes

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- Insurance Captive – General Business – min. €2.5 m/€3.7 m, depending on class of business
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Solvency Margin: Calculated in accordance with regulations modeled on EU directives.

Technical Provisions: Calculated in accordance with regulations modeled on EU directives.

Guarantee Fund: Greater of: 1) Minimum Guarantee Fund or 2) the value of one-third of the margin of solvency or Malta margin of solvency (as applicable).

Intercompany Loans: Allowed with approval from the Malta Financial Services Authority.

Financial Reporting Requirements: Audited accounts under IFRS. Exempt from:
- publishing accounts in local newspapers;
- contributing to the Protection and Compensation Fund;
- covering technical provisions by equivalent and matching capital assets to cover currency risk;
- localisation rules and custody of assets rules;
- the payment of duty on any contract of insurance relating to a risk situated in Malta and depositing a minimum guarantee fund with an external institution.

Regulatory Fees:
- Application for Authorisation: €1,800
- Continuance of Authorisation: €5,000
- Continuance of Authorisation: €5,000
Protected Cell Companies in Malta

Malta has introduced a number of innovative vehicles for the insurance sector. The Protected Cell Company (PCC) structure provides a number of advantages compared to setting up a stand-alone insurance company or captive. One of the key elements is that an insurer can write business through the ownership of a protected cell using the core’s capital.

A Protected Cell Company (PCC) has within itself one or more ‘cells’ for the purpose of segregating and protecting the cellular assets of the company from those of other cells or the assets of the core itself. A ‘cell’ is in turn formed by a class of shares within the cell company. The core and its cells are to be treated as one legal entity, as the cells do not have separate legal personality. Once established, a PCC can form cells for third parties. Hence, Malta is an attractive jurisdiction for those looking to establish a cell company, or to simply establish a cell.

Benefits of Using a Protected Cell

Lower capital requirement: Each cell is only obliged to hold capital needed to protect its risks, while the minimum own funds requirements apply to the PCC as a whole.

Lower running costs: Protected cells also benefit from lower running cost compared to stand-alone companies since there is no need to set up a separate company. Owners benefit from simpler administration and shared overhead costs.

Lower risk: The risks within each PCC cell will be legally segregated from other cells.

Reinsurance access for smaller investors: Reinsurance protection can be purchased for the risks in a cell in the same way as reinsurance protection is purchased by a traditional captive.

Direct Writing into Europe: PCCs and their cells licensed in Malta can access EU markets through the single-passport route, thus avoiding fronting arrangements.

Faster authorisation process: The application process for a cell is less demanding because the management of the PCC is already known to the regulator.

First experience: Entities that have not had a great deal of exposure to the business of insurance can benefit from the experience of the cell company in regulatory issues, as well as the day-to-day running of an insurance company.

A protected cell in Malta allows a cell owner to:
- Insure directly own risks in the EEA;
- Sell insurance to third parties in the EEA;
- Reinsure risks outside the EEA;
- Insure on non-admitted basis risks globally where allowed.

Operating model of a Protected Cell Company

A cell company operates in two parts – the company core and the cells. The core part comprises all non-cellular assets including the company’s core share capital, investments, liabilities and so forth. The core share capital may be the minimum required at law or it may be much larger depending on its activities. The core does not need to take any of the insurance risk itself, but must be solvent at all times based on the business written by the whole company, including the cells.

A cell company can create one or more cells within its company structure. The cells are independent from each other and from a legislative point of view are protected from each other. This is done by the issue of cell shares in respect of each individual cell. Each shareholder of a cell receives its own dividend stream. For tax purposes each cell is treated as a separate entity.

A protected cell transacts insurance business through the licence held by the PCC. The PCC has a single board of directors which takes responsibility for the transactions within the core and each of the cells and for the statutory and regulatory compliance and corporate governance requirements of the company as a whole.

The assets of any one particular cell are only available to the shareholders and creditors of that cell – creditors of another cell have no recourse against them. However, in the event that the cellular assets of one cell have been exhausted, the company’s core assets may be secondarily liable to satisfy any cellular liability of one of its cells. This can be avoided by a non-recourse agreement in the case of captives and reinsurance cells.
Key Features of Protected Cell Companies

Corporate Form: Limited Liability Company

Name: The name of the company needs to include the expression ‘Protected Cell Company’ or its abbreviation ‘PCC’. This title needs to be displayed on all its business letters and forms to inform all parties dealing with the company of its status. Each cell needs to have its own distinct name.

Permitted Business: The cell company and its cells may conduct business of insurance and reinsurance as principals, captives, insurance brokers and insurance management companies in respect of general and long-term business.

Licensing Timeframe: Three to six months

Redomiciliation allowed: Yes

Own Funds:

<table>
<thead>
<tr>
<th>Category of Insurance</th>
<th>Principal Insurance (Millions)</th>
<th>Affiliated Insurance (Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long Term</td>
<td>€3.7</td>
<td>€3.7</td>
</tr>
<tr>
<td>General</td>
<td>€2.5 - 3.7</td>
<td>€2.5 - 3.7</td>
</tr>
<tr>
<td>Reinsurance</td>
<td>€3.4</td>
<td>€2.2</td>
</tr>
<tr>
<td>Insurance and Reinsurance</td>
<td>€2.5 - 7.4</td>
<td>€2.5 - 7</td>
</tr>
</tbody>
</table>

Own funds are to consist of: initial paid up share capital which must not be less than 50 per cent of the value of Own Funds requirement, cumulative preferential share capital, subordinated loans, retained profits, reserves other than reserves corresponding to the technical provisions and where applicable, the equalisation reserves and securities with no specified maturity date and other instruments including cumulative preferential shares. The minimum own funds requirements do not apply to individual cells but to the PCC as a whole.

Solvency Margin: Calculated on a cellular basis. Any deficit in the cellular solvency margin is funded through non-cellular assets. The solvency margin must not fall below the guarantee fund.

Minimum Guarantee Fund: The core of the cell company shall maintain at all times a guarantee fund of an amount of assets equal to the greater of the minimum guarantee fund or the value of one-third of the margin of solvency. The cells can use the minimum guarantee fund of the core.

Technical Provisions: Calculated in accordance with regulations modelled on EU directives.

Cell Management: The board of directors of the cell company has ultimate responsibility for all cells and cellular assets. The board may delegate the management and administration of a cell, or parts thereof, to a third-party insurance manager or/a cell committee which many include representatives of the cell owner.

Power to contract: Cells contract through the PCC which acts on behalf of the cell.

Liability: Assets and liabilities are held separately within each cell. However, if the cellular assets of one cell have been exhausted, the company’s core assets may be secondarily liable to satisfy any cellular liability of one of its cells.

Intercompany Loans: Allowed with approval from the Malta Financial Services Authority.

Financial Reporting Requirements: Audited accounts under IFRS. Captive PCCs are exempt from: publishing abridged accounts in local newspapers; contributing to the protection and compensation fund; covering technical provisions by equivalent and matching assets to cover currency risk; localisation rules and custody of assets rules; the payment of duty on any contract of insurance relating to a risk situated in Malta; and depositing a minimum guarantee fund with an external institution.

Regulatory Fees:

<table>
<thead>
<tr>
<th>Category of Business</th>
<th>Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Captive Cell Company</td>
<td></td>
</tr>
<tr>
<td>Application for Authorisation</td>
<td>€2,500</td>
</tr>
<tr>
<td>Acceptance of Application</td>
<td>€2,500</td>
</tr>
<tr>
<td>Continuance of Authorisation</td>
<td>€2,500</td>
</tr>
<tr>
<td>Each cell carrying out affiliated insurance business</td>
<td></td>
</tr>
<tr>
<td>Application for Authorisation</td>
<td>€1,000</td>
</tr>
<tr>
<td>Acceptance of Application</td>
<td>€1,000</td>
</tr>
<tr>
<td>Continuance of Authorisation</td>
<td>€1,000</td>
</tr>
<tr>
<td>Cell Company carrying out non-affiliated insurance business: Fees according to Schedule in the Insurance Business (Fees) Regulations</td>
<td></td>
</tr>
<tr>
<td>Each cell carrying out non-affiliated insurance business: Fees according to Schedule in the Insurance Business (Fees) Regulations</td>
<td></td>
</tr>
</tbody>
</table>
Incorporated Cell Companies in Malta

As a constantly evolving financial services centre, Incorporated Cell Companies are the latest addition to Malta’s offering for insurers. They build on the cellular model but unlike cells in Protected Cell Companies, cells of Incorporated Cell Companies have their own legal identity.

Benefits of Using an Incorporated Cell

Security: The ICC cell structure provides a secure structure for the segregation of assets and liabilities as each cell is a separate legal entity. For example, a company could have separate cells for catastrophe and health insurance.

Flexibility: Incorporated cells are allowed to enter into binding agreements with one another and with the ICC, thereby facilitating the possibility of financial guarantee or reinsurance arrangements between cells as well as between the cells and the ICC, where the core acts as the reinsurer to the fronting cell.

Direct Writing into Europe: IOCs and incorporated cells licensed in Malta can access EU markets through the single-passport route, thus avoiding fronting arrangements.

An incorporated cell in Malta allows a cell owner to:
- Insure directly own risks in EEA;
- Sell insurance to third parties in EEA;
- Reinsure risks outside the EEA;
- Insure on non-admitted basis risks globally where allowed.

Key Features of Incorporated Cell Companies

Corporate Form: Limited Liability Company

Name: The name of the company needs to include the expression ‘Incorporated Cell Company’ or its abbreviation ‘ICC’. This title needs to be displayed on all its business letters and forms to inform all parties dealing with the company of its status.

Permitted Business: The cell company and its cells may conduct business of insurance and reinsurance as principals, captives, insurance brokers and insurance management companies in respect of general and long term business.

Licensing Timeframe: Three to six months

Redomiciliation allowed: Yes

Solvency Margin: Calculated on a cellular basis. Any deficit in the cellular solvency margin is funded through non-cellular assets. The solvency margin must not fall below the guarantee fund.

Guarantee Fund: Both the ICC and the respective Cells are to maintain a Guarantee Fund made up of the greater of: 1) the Minimum Guarantee Fund or 2) the value of one-third of the margin of solvency or Malta margin of solvency (as applicable).

Technical Provisions: Calculated in accordance with regulations modeled on EU directives.

Cell Management: Each cell is a separate company and the board of the company has ultimate responsibility for all cells and cellular assets. The board may delegate the management and administration of a cell, or parts thereof, to a third-party insurance manager.

Own Funds:

<table>
<thead>
<tr>
<th>Category of Insurance</th>
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<tr>
<td>Insurance and Reinsurance</td>
<td>€2.3 – 7.4</td>
<td>€2.3 – 7</td>
</tr>
</tbody>
</table>

Own funds are to consist of: paid up share capital which must not be less than 50 per cent of the value of Own Funds requirement; and a mixture of issued and unpaid share capital, preferential share capital, subordinated loans, retained profits and reserves. The Own Funds Requirement applies to the ICC and to each Incorporated Cell individually.

Power to contract: Cells have the ability to enter into contracts in their own name.

Liability: Assets and liabilities are held separately within each cell. Claims by third parties can only be directed against the cell itself.

Intercompany Loans: Allowed with approval from the Malta Financial Services Authority.

Reporting Requirements: Audited accounts under IFRS. Incorporated Cells carrying out affiliated insurance business are exempt from:
- publishing abridged accounts in local newspapers;
- contributing to the protection and compensation fund;
- covering technical provisions by equivalent and matching assets to cover currency risk;
- localisation rules and custody of assets rules;
- the payment of duty on any contract of insurance relating to a risk situated in Malta; and
- depositing a minimum guarantee fund with an external institution.

Regulatory Fees:

- Cell Company carrying out affiliated insurance business: Application for Authorisation (one-time fee, non-refundable irrespective of whether the application is accepted or refused) €2,500, Acceptance of Application €2,500, Continuance of Authorisation (annual fee) €2,500.

- Each cell carrying out affiliated insurance business: Application for Authorisation (one-time fee, non-refundable irrespective of whether the application is accepted or refused) €2,500, Acceptance of Application €2,500, Continuance of Authorisation (annual fee) €2,500.

- Cell Company carrying out non-affiliated insurance business: Fees according to Schedule in the Insurance Business (Fees) Regulations.

- Each cell carrying out non-affiliated insurance business: Fees according to Schedule in the Insurance Business (Fees) Regulations.
Insurance Management & Administration Services

Malta’s dynamic insurance sector has not only attracted insurers and self-insuring companies but also a growing number of insurance managers and service providers. In fact, reputable insurance managers rank Malta as one of the best insurance locations in the EU.

Insurance Managers

Insurance management is a fruitful business in Malta. Insurance management companies require a licence from the Malta Financial Services Authority. 15 managers have already been approved. Management companies assist in the application process for a licence as well as the management and operation of captives, protected cell companies, third-party insurers and reinsurers.

Insurance managers usually carry out the following functions:

- Assistance in feasibility studies;
- Provision of cells in cell companies;
- Management of the insurance or reinsurance business, including premium and rate determination, underwriting, policy development, policy issuance and premium invoicing;
- Accounting;
- Cash management;
- Risk management;
- Claims handling;
- Company secretarial services;
- Compliance services;
- Any other back-office work.

Setting up an Insurance Management Business in Malta

Regulated by: Insurance Intermediaries Act

Licensing Requirements: Insurance management companies are licensed and regulated by the Insurance Intermediaries Act. Depending on the contract with the insurance company, the management company requires own funds amounting to:

- if it holds no appointment: €1,164.69 which is the paid-up share capital in terms of the Companies Act, 1995;
- €16,803 where acting for, or on behalf of, a company whose business is restricted to affiliated insurance;
- €16,803 or 4 per cent of the annual gross premiums receivable whichever is the higher – where it holds an appointment which (i) excludes or does not include authority to enter into contracts of insurance on behalf of a company and/or (ii) includes authority to collect and hold premiums on behalf of a company;
- €58,243.33 or 4 per cent of the annual gross premiums receivable, whichever is the higher – (i) where acting for, or on behalf of, a company whose business is not restricted to affiliated insurance and which appointment includes the authority to enter into contracts of insurance on behalf of the company; or (ii) where it holds an appointment from a company enrolled in the Brokers List.

An insurance manager holding an appointment is required to keep moneys held by it in a fiduciary capacity separate from its own monies, and effect a fidelity bond. In addition, the insurance manager is required to have in its favour a policy of professional indemnity insurance.

Regulatory Fees:
- Application for authorisation: €375
- Acceptance of application: €500
- Continuance of authorisation: €500 & €375 per appointment

Insurance Underwriting and Brokerage Companies

Insurance intermediaries carrying out activities in Malta are required to register with the Malta Financial Services Authority. They must prove that they are fit and proper persons and possess the necessary qualifications and comply with the relevant legislation and regulation, amongst others.

Brokers and other intermediaries can avail themselves of the European single passport in much the same way as insurers. This has added to Malta’s attraction to European intermediaries, seeking international growth in a competitive jurisdiction and non-EU (including US-based) intermediaries seeking to tap into the EU insurance market.

Brokers can also benefit from Malta’s PCC legislation and the first brokerage firm has recently converted itself to a PCC offering cells to other brokerage firms. This structure provides brokers based in other EU countries with an opportunity to set up an operation in a cost-effective jurisdiction. While the front-end business will continue to be carried out through the existing company, for instance in the UK, all business could be passed through a cell in Malta in order to benefit from lower taxes and operational costs.

Benefits of Insurance Management and Administration Services in Malta:

- Foreign insurance brokers may establish cells in a broker protected cell company, which could provide services such as office support, administration, passporting in the EU and broker expertise;
- A multilingual workforce and a state-of-the-art telecoms infrastructure make Malta the ideal location for the establishment of call centres for the outsourcing of claims handling or marketing functions;
- Malta has a lower cost structure and well-trained workers are widely available.
Pensions in Malta

Retirement schemes have become an important element of investment planning. Malta provides the ideal solution for high-net-worth individuals looking for an investment vehicle, international workers planning for retirement or international corporations seeking to establish and administer pension schemes for their staff.

Over the past few years, Malta has established itself as a centre for the management and administration of personal pension plans. The island is also making a name for itself in relation to cross-border pension vehicles and Institutions for Occupational Retirement Provision (IORPs) providing appropriate solutions for international operating companies for the benefit of their employees. Malta’s present international pension scheme legislation, combined with its EU membership, has already resulted in a number of service providers as well as pension trustees and/or administrators establishing internationally based pension schemes in Malta. In order to offer an even wider range of international retirement solutions, the country is currently updating its legislation.

Who is here already?
Retirement Scheme Administrators
- Bentley Trust (Malta) Limited
- Blevins Franks Trustees Limited
- Custom House Global Fund Services Limited
- Dominion Fiduciary Services (Malta) Limited
- MC Trustees (Malta) Limited
- Momentum Pensions Malta Limited
- Sovereign Pension Services Limited
- STM Malta Trust and Company Management Limited
- Worldwide Pensions Limited

Retirement Schemes
- MCT Malta Private Retirement Scheme
- Melita International Retirement Scheme Trust
- Momentum Malta Retirement Trust

Pensions and Retirement Schemes
- Retirement schemes and retirement scheme administrators are licensed and their activities are fully regulated by the Malta Financial Services Authority (MFSA).
- Due to Malta’s EU membership, companies established in other EU member states can sponsor occupational schemes established in Malta.
- Fees for the administration and management of the scheme are comparatively lower than in other jurisdictions.
- A strong regulatory framework established by law and the MFSA ensures the integrity of the plan and peace of mind for the scheme’s members.
- Legislation allows for a number of customised structures that suit the requirements of individuals or international businesses.
- Malta satisfies the current HMRC requirements, enabling Malta retirement schemes to self-certify in terms of the UK’s QROPS legalisation.

Licences in the pensions sector
Source: Malta Financial Services Authority, December 2012

<table>
<thead>
<tr>
<th>Year</th>
<th>Licences</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>21</td>
</tr>
<tr>
<td>2011</td>
<td>25</td>
</tr>
<tr>
<td>2012</td>
<td>24</td>
</tr>
</tbody>
</table>

Source: Malta Financial Services Authority, December 2012
Malta’s Growing Pension Sector: the Right Solution to Global Needs

International executives, workers or high-net-worth-individuals require a flexible and secure international pension plan that suits their specific needs. As a financially stable jurisdiction with evolving retirement legislation, Malta is set to capture a bigger share of the global personal and occupational pension market.

Customised Structures

Currently, the establishment and operation of retirement schemes in Malta is governed by the Special Funds (Regulation) Act 2002, which was originally drafted to develop a regulatory framework covering domestic occupational schemes in Malta. The law also provides for the establishment of retirement funds which can be used as pension-pooling vehicles.

As in other areas of financial services, Malta’s approach to legislation and regulation in this sector aims at providing the necessary safeguards to ensure the smooth operation of pension schemes and pension funds. The regulatory framework, which requires the registration and on-going supervision of pension schemes, as well as service providers and scheme administrators, investment managers and custodians through the Malta Financial Services Authority (MFSA), makes Malta an attractive safe haven for accrued pension funds for expatriates living around the globe.

Strong Regulatory Framework

Malta’s current regulatory framework is strong and ensures the integrity of pension plans. In addition, the Maltese Parliament recently enacted the Retirement Pensions Act which is not yet in force. The Retirement Pensions Act, which is intended to regulate retirement schemes, retirement funds and the service providers related thereto, shall replace the current Special Funds (Regulation) Act. This new legislation, drafted by the MFSA, aims to solidify the regulatory and legislative framework relative to both occupational and personal pension plans and sets out a framework for pension schemes that will go further to attract multinationals, European employers, high-net-worth individuals and wealthy expatriates to base their pension provisions in Malta and benefit from a well-regulated, cost-competitive structure within a tax efficient framework.

Offering Passporting Rights

The current pension regulations already allow for the establishment of cross-border occupational pension schemes in other EU member states subject to a minimum standard framework for the regulation and supervision of such schemes that must be applied in each state. In addition, as part of the country’s reform processes the authorities have implemented regulations that allow international occupational pension schemes set up in Malta to be passported to other EU and EEA member states.

A QROPS Jurisdiction

UK non-domiciled expatriates may already benefit from pension schemes set up in Malta in relation to the UK’s legislation on Qualifying Recognised Overseas Pension Schemes (QROPS). Retirement schemes established in Malta and regulated by the MFSA may in fact apply for self-certification with Her Majesty’s Revenue and Customs (HMRC) in the UK as QROPS. This certification results in tax efficiencies for ex-UK residents who wish to transfer their funds from UK schemes to Maltese schemes, without incurring any tax charges in the UK.

Benefits of Tax Treaty Network

Malta also satisfies the HMRC rules on QROPS due to the island’s double taxation treaty network. The island has around 60 double tax treaties with various other jurisdictions. This makes Malta the ideal choice for international pension planning as most double tax treaties allow a beneficiary of a Malta licensed retirement scheme to make use of the treaty by paying tax in his country of residence and not in Malta. Moreover, the Maltese Inland Revenue Department has recently issued tax guidelines in order to ensure that the draw downs from retirement schemes licensed in Malta are treated as pension income for the member and taxed accordingly, whilst stipulating that beneficiaries of a Malta-based scheme will need to submit an annual tax return, regardless of where they are based.

A Secure Structure

As a member of the EU, Malta provides a pan-European platform that is secure, well regulated, and innovative. Fees for the administration and management of pension schemes in Malta are lower than in other jurisdictions and the fact that English is official language gives the professional support structure an added extra.

QROPS and QNUPS

Malta has become especially attractive as a pension jurisdiction for British expats’ UK pensions since the country ticks all the right boxes in terms of the current HMRC regulations for a UK Qualifying Recognised Overseas Pension Scheme (QROPS). A QROPS scheme is one which UK tax law recognises as broadly equivalent to a UK Registered Pension Scheme (RPS), so that pension rights can be transferred into it without a UK tax charge. Newly set-up Maltese licensed schemes can apply for self-certification as QROPS with HMRC once they are licensed in Malta. A QROPS scheme operated from and licenced in Malta can be highly advantageous, benefiting from excellent flexibility and strict regulation in an English-speaking environment.

Centralising pension schemes in Malta offers individuals or companies the opportunity to build up a flexible, secure and accessible pension plan, wherever they are based.

• A QROPS can be a customised international retirement scheme or a personal retirement scheme.

• They are currently regulated by the Special Funds (Regulation) Act of 2002. Applicants are encouraged to meet the regulator, the MFSA, before submitting their application.

• An application must then be filed with the MFSA, which must be accompanied by a copy of the scheme document or the trust deed, the fees and any other information the MFSA may require.

• An administrator, asset manager, and custodian linked with the licensed scheme may also need to be registered with the MFSA.

Malta’s current regulatory framework is strong and ensures the integrity of pension plans. In addition, the Maltese Parliament recently enacted the Retirement Pensions Act which is not yet in force. The Retirement Pensions Act, which is intended to regulate retirement schemes, retirement funds and the service providers related thereto, shall replace the current Special Funds (Regulation) Act. This new legislation, drafted by the MFSA, aims to solidify the regulatory and legislative framework relative to both occupational and personal pension plans and sets out a framework for pension schemes that will go further to attract multinationals, European employers, high-net-worth individuals and wealthy expatriates to base their pension provisions in Malta and benefit from a well-regulated, cost-competitive structure within a tax efficient framework.

Offering Passporting Rights

The current pension regulations already allow for the establishment of cross-border occupational pension schemes in other EU member states subject to a minimum standard framework for the regulation and supervision of such schemes that must be applied in each state. In addition, as part of the country’s reform processes the authorities have implemented regulations that allow international occupational pension schemes set up in Malta to be passported to other EU and EEA member states.
Key Features of Retirement Schemes

Legislation: Special Funds (Regulation) Act and Retirement Pensions Act (the Retirement Pensions Act is not yet in force)

Means of establishment: Trust or contract. Schemes may also be established as a SICAV under the new rules in terms of the Retirement Pensions Act.

Scope: Occupational or personal schemes.

Administrator: Required (Body corporate).

Minimum Funds: Administrator is required to meet a minimum Net Tangible Asset Requirement. The initial capital requirement is €125,000.

Asset Manager: Required if the administrator does not have the necessary investment services expertise internally. Can be foreign and passport their services into Malta.

Custodian: Required if a retirement scheme does not invest its members’ contributions in a retirement fund and does not engage an asset manager.

Trustee: Required if scheme is established as a trust. Administrator will usually act as trustee.

Actuary: Only a retirement scheme which is a defined benefit scheme must appoint an actuary.

Auditor: Required

Cross-border services: Retirement schemes may operate on a cross-border basis within the EU.

Indicative timeframe: Six months from date of submission of complete application.

Required documentation for application:
- Scheme documentation stipulating the retirement benefits and conditions;
- Other documents that may be required by the MFSA.

Investments and Investment restrictions:
- No transactions may be entered into with members, including the making of loans;
- No borrowing is allowed in relation to the purchase of property for members;
- The scheme may only borrow on a short-term basis in relation to the management of assets;
- The scheme shall not engage in any leverage.

A retirement scheme licensed in Malta can also qualify as a QNUPS once it satisfies the requirements prescribed in the UK Inheritance Tax (Qualifying Non-UK Pension Schemes) Regulations 2010. A QNUPS must essentially satisfy the same conditions applicable for QROPS with the exception that there is no requirement for a Double Taxation Agreement with the UK if the jurisdiction is outside the EEA. Furthermore, a QNUPS is not subject to any reporting requirements with the HMRC.

Assets of occupational retirement schemes can be invested either:
- directly on the market in shares, bonds, collective investment schemes etc.;
- through one or more retirement fund(s).

An occupational retirement scheme may not invest more than 5 per cent of its assets in contributor-related investments, which unless otherwise provided, include:
- instruments that are issued by the contributor or an affiliate;
- immovable property used, occupied or held under any title by the said person(s);
- loans made to the said person(s).

Reporting Requirements:
- Audited annual report;
- Issue scheme particulars which describe the scheme for the member(s);
- Provide members with details regarding the scheme e.g. its performance.

Maturity:
A personal retirement scheme needs to offer a beneficiary the option of purchasing an annuity. However, the take up of an annuity is not compulsory and benefits may also be paid out in the form of a lump sum of up to 30 per cent of the value of the member’s fund together with an income stream for life.

Regulatory Fees: Application Fees (one-time) Supervisory Fees (annual)

<table>
<thead>
<tr>
<th>Retirement Schemes</th>
<th>€1,165</th>
<th>Depending on number of members. Min. €116, max. €2,330</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement Scheme Administrator</td>
<td>€466</td>
<td>€1,398</td>
</tr>
<tr>
<td>Asset Managers</td>
<td>Malta-based: nil</td>
<td>Malta-based: nil</td>
</tr>
<tr>
<td></td>
<td>Overseas-based: €233</td>
<td>Overseas-based: €699</td>
</tr>
<tr>
<td>Retirement Fund Custodians</td>
<td>€2,747</td>
<td>€3,494</td>
</tr>
</tbody>
</table>
Key Features of Retirement Funds

Legislation: Special Funds (Regulation) Act and Retirement Pensions Act (the Retirement Pensions Act is not yet in force).

Legal Form: Investment company with fixed or variable share capital. Fund can be established as a multi-class company with various sub-funds.

Director: Minimum of three directors.

Administrator: Required.

Auditor: Required.

Asset Manager: Optional. Function may be carried out by the board of directors.

Custodian: Optional. Function may be carried out by the administrator if certain conditions are satisfied.

Required documentation for application:
- A copy of the Memorandum and Articles of Association of the retirement fund;
- A copy of the retirement fund’s particulars, containing amongst others, a description of the investment objectives, the risk and return characteristics of the retirement fund, as well as information relating to the type and diversification of assets anticipated within the investment portfolio of the retirement fund;
- The name and contact details of the retirement fund, the directors and the retirement fund administrator together with the necessary Personal Questionnaires;
- The address in Malta for the service of any notice required by law.

Investment Restrictions:
Some restrictions apply, among others these are:
- The Fund shall not invest more than 10 per cent of its assets in securities which are not traded in or dealt on a market which:
  a) Is regulated, operates regularly, is recognised and is open to the public;
  b) Has adequate liquidity and adequate arrangements in respect of the transmission of income and capital.

Reporting Requirements:
- Monthly returns on the net asset value of the fund;
- Audited annual report;
- Directors’ report on the development, management, operation and financial performance of the retirement fund;
- Issue fund particulars which describe the fund for the member(s).

Application Fees (one-time) Supervisory Fees (annual)
Retirement Funds
- Up to 15 sub-funds €514 €1,661
- 16 sub-funds and over €751 (per sub-fund) €2,941 (per sub-fund)

Retirement Fund Administrator
- Not maintaining custody of assets: €592
- Maintaining custody of assets: €1,747

Asset Managers
- Malta-based: nil
- Overseas-based: €233

Retirement Fund Custodians
- €3,747

EU member state + new legislation in pipeline = emerging pensions domicile
Banking & Financial Services

In the aftermath of the financial crisis, Malta stands out as an attractive financial centre. Malta’s banks did not hold so-called toxic assets and followed a conservative approach based on sound fundamental banking principles. This has brought welcome recognition to the Maltese banking sector, which has also developed products and services designed to meet the unique requirements of insurance companies.

International Banking Centre

With five retail banks and more than 20 international commercial and trade banks already operating in or from Malta, this sector has become one of the most robust on the island. The country’s banks are able to provide a full range of personal, commercial and trade services to clients. HSBC and Bank of Valletta are the leading retail banks on the island. Smaller banks such as APS, Lombard, Volksbank and Banif Bank help to keep the banking sector competitive and innovative, while Malta is also home to specialists in trade finance such as FIMBank and BAWAG.

With the growing number of insurance companies that choose to domicile in Malta, Malta’s banks have also built expertise in the management of insurance companies’ investment portfolios. Banks such as HSBC Global Asset Management assist insurance companies in developing an operational setup during the licensing process with the MFSA. Once a licence is granted, banks in Malta offer insurance companies and captives tailor-made solutions in portfolio and risk management.

Investment and Trustee Services

A number of investment management companies also provide services to the insurance industry. Asset managers from the fund industry have begun to service the insurance sector, too. With approximately 120 investment services firms licensed in Malta, corporations seeking assistance in the management of their assets are spoilt for choice. In addition, more than 100 Maltese and international fiduciary companies are licensed to offer trust and trustee services on the island.

Custodian Banking for Retirement Schemes

Retirement schemes are required to appoint custodians and trustees under certain conditions. HSBC, one of the world’s largest global custodians, is present on the island, while many other banks provide custodial services through international partners. In addition to HSBC, Bank of Valletta, Mediterranean Bank, Sparkasse Bank Malta, Deutsche Bank and Custom House hold custody licences in Malta.

Investment and Trustee Services

A number of investment management companies also provide services to the insurance industry. Asset managers from the fund industry have begun to service the insurance sector, too. With approximately 120 investment services firms licensed in Malta, corporations seeking assistance in the management of their assets are spoilt for choice. In addition, more than 100 Maltese and international fiduciary companies are licensed to offer trust and trustee services on the island.

Legal Services:

Malta’s legal profession is long-established, and a large number of law firms operate on the island. They are regularly listed in Chambers, Legal 500, and other directories. All the leading international firms have a presence in Malta through associate links with local law firms. Many legal firms have specialised in assisting international commercial and financial operators looking at doing business with or locating operations in Malta. Most lawyers have post-graduate degrees in various practice areas, including financial services, or furthered their studies at major institutions overseas. They have developed expertise in niche areas such as insurance or pensions and can assist with the structuring of organisations and licence applications.

Accountancy and Audit:

Insurance businesses are strongly supported by a large range of accounting and auditing practitioners ranging from small boutique practices to the global big four accountancy firms. There are also many consultants providing business advisory and back office support and other related services. Professional services costs are generally lower than in other Western European locations.
Market Access & Distribution

As an EU member state with an extensive network of tax treaties and regulatory agreements, Malta provides access to a wide range of marketplaces.

European Union
Malta offers access to the European Union’s internal market of over 500 million people. Following the country’s accession to the European Union, insurance undertakings and intermediaries established and licensed in Malta are able to provide their services in any of the other EEA states through the European Single Passport.

The Notification Procedure
- In order to avail of the benefits of the European Single Passport, a formal application to the home regulator (the original regulator that has issued the license) as well as a notification to the host regulator (the regulator of the jurisdiction in which services will be provided) is required.
- Passporting insurers/intermediaries are only subject to regulation by the home member state and both the host and home regulator may be in direct contact with each other on any issue that may arise related to the activity of the passported entity in the host state, thus, ensuring protection of customers in the host jurisdiction while respecting the fundamental freedom of provision of services.

The cross-border provision of pensions is still in its infancy. This is mainly due to tax implications that scheme members might face in their home states. However, with more and more EU countries introducing private pensions and EU pressures to facilitate the development of cross-border arrangements, Malta, with its high number of double taxation treaties, is well-placed to become a centre for the administration and management of retirement schemes.

International Markets
To provide access to international markets and to ensure a smooth trading environment for the financial services sector, Malta is working closely with other regulatory authorities. The MFSA has signed around 18 Memoranda of Understanding (MoU) with other authorities to facilitate business in the insurance and pensions sector.

Malta’s strategic location at the centre of the Mediterranean has always been one of the key advantages of doing business in or from Malta. As an EU member state, businesses in Malta can passport their services to all other member states, while the growing markets of North Africa and the Middle Eastern countries bordering the southern coast of the Mediterranean basin are easily accessible. An insurer licensed in Malta may also cover insurable risks in non-EU countries in which persons are allowed to procure insurance directly from a Maltese insurer.

Malta also has an extensive network of double taxation treaties for a number of markets. The country is a signatory to 64 agreements, among them China, India and the USA.

Real Estate
Malta offers a wide range of commercial and residential property for rent or outright purchase. One of the advantages of Malta’s small size is that commuting time between Malta International Airport and an office is rarely greater than 20 minutes, and journeys are seldom longer than 40 minutes.

Commercial Property
Given Malta’s small geographic area, there are few restrictions on where a business setting up in Malta can choose to establish its operations. In effect, the final choice will depend upon preferences and relative cost related to the quality and suitability of the property concerned.

Type of Office Space
Office space is available in purpose-built office blocks, in converted houses, flats or within some of the new, large mixed-use developments. Malta offers enviable locations with sea views and marinas as well as prestigious landmark office complexes within easy commuting distance of residential areas.

Rental Costs
Overall, rentals are around two-thirds to half of those charged for comparable commercial spaces in continental Europe.

Costs of Commercial Space

<table>
<thead>
<tr>
<th>Type of Office Space</th>
<th>Approx. Rental Prices in €/m² per annum</th>
<th>Approx. Sale Prices in €/m²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prestigious</td>
<td>500-450</td>
<td>6000-8500</td>
</tr>
<tr>
<td>Professional</td>
<td>180-300</td>
<td>2400-4000</td>
</tr>
<tr>
<td>Economical</td>
<td>80-275</td>
<td>1500-2500</td>
</tr>
</tbody>
</table>

Source: Malta Real Estate, 2012

Locations
Valletta: Malta’s capital city is the administrative centre of the island. The Malta Stock Exchange and the Central Bank of Malta are located in Valletta. Office space is usually offered in prestigious townhouses or century-old palazzos. A number of offices have also been opened at the Valetta waterfront.

Sliema/St. Julian’s: Sliema and St. Julian’s are located on the peninsula to the north of Valetta. Office space is available in smart blocks, with sea views or without. The Portomaso Business Tower in St. Julian’s is one of the prime corporate addresses in Malta.

Other areas/types: Office space is available practically all over the island. A number of business centres also offer ready-to-move offices. They usually include fully equipped offices that are available on demand with flexible terms, meeting rooms and a receptionist service.

Residential Property
In the past few years, Malta has become one of the most sought after locations in Europe for foreign nationals seeking to purchase homes as an investment or for relocation purposes. A wide range of residential property can be found in Malta, ranging from apartments, penthouses, townhouses to villas, with or without a pool. Developments in recent years include marina and coastal complexes at the top-end of the market. The rental market is steady and the property market looks positive for the future, making investing in property an interesting opportunity. Gozo’s property tends to appeal to the holiday rental or second home market and is dominated by rustic style farmhouses and modern apartments.
Communications

Cross-border transactions and set-ups require cutting-edge telecoms and IT systems. Malta has seen huge public and private sector investment in ICT over the past 15 years and today the country boasts a truly modern infrastructure.

Malta’s telecoms network is reliable, stable and secure. As the infrastructure has opened up to market forces, access rates have increased and tariffs have lowered.

A Dynamic Cluster

Malta’s ICT industry is a versatile and mature cluster, and the country hosts more than 200 IT companies, including international giants such as Microsoft, Oracle and Cisco. Tecom of Dubai has chosen Malta as the location in which to build a European ICT and media city on the models developed in Dubai, while Microsoft is currently setting up an innovation centre focused on cloud computing. Malta’s top-level telecoms infrastructure has also turned the country into a centre for the processing of online media content.

International connectivity & bandwidth: Malta is internationally connected through two satellite stations (one to the Atlantic Ocean region and the other to the Indian Ocean region) and four submarine fibre-optic links to mainland Europe, two of which are operated by GO and the others by Vodafone and Melita respectively. All operators say their cables are designed to carry a lot more traffic than current levels and their capacity is unlimited.

Service Providers: GO, Melita and Vodafone are the three main telecoms service providers, while Malta hosts more than 200 IT companies.

International Data centres: Data centres are operated by the telecoms operators with their own fibre-optic cables but also by other telecoms companies, allowing companies to choose between a range of service providers.

Call centres: The fact that English is an official language, coupled with the good language abilities of the Maltese and the country’s good telecoms infrastructure, has made Malta a hub for call centres. Among the call centres already set up in Malta is HSBC’s international contact centre.

Phone: Mobile telephony operators provide wireless internet connections based on GPRS technology, and Voice Over Internet Protocol Services (VOIP), enabling companies to make substantial cost savings on telecommunication expenses.

Postal services: Postal services are provided by MaltaPost Plc. Delivery is efficient and reliable with a three-day service to most mainland European cities. All the main international courier services are represented on the islands.

ICT Rankings

Government prioritisation of ICT
Importance of ICT to government’s vision of the future
Impact of ICT on access to basic services
Impact of ICT on new services and products
Broadband internet subscriptions per 100 population
Mobile network coverage rate
Secure internet servers
Internet & telephony complexion


Human Capital

A university with an excellent reputation and a number of other training institutes prepare people for a career in financial services, making it easy to find the right people for insurance businesses.

Diligent, highly educated and multilingual, the Maltese workforce is the country’s greatest strength and most valuable asset. The key reasons are:

Multilingual. Maltese speak at least three languages, Maltese, English and Italian, in addition to another language, usually French or German.

Educated. Some 60 per cent of students (18-24 year olds) continue in further education in some 85 institutes.

Skilled. Malta’s workforce possesses the skills the financial services industry requires. While professionals seeking qualified recognition in insurance had to study overseas or follow a correspondence course in the past, a degree course in insurance and Finance has recently been set up at the University of Malta to provide the fast-growing Maltese insurance industry with the skills it requires. In addition, staff working across all sectors of the industry are trained at the Maltese College of Arts and Technology (MCAST), the Institute of Financial Services Practitioners and the Malta International Training Centre, an educational centre that was specifically established to support the financial services industry through the provision of technical training. Both educational institutes are recognised by and collaborate with the Chartered Insurance Institute (UK). In addition, various private institutes offer insurance training and provide customised courses that focus on specific company requirements.

Value for Money. Labour costs in Malta are two thirds of those in other Western European jurisdictions.

ICT Rankings

Government prioritisation of ICT
Importance of ICT to government’s vision of the future
Impact of ICT on access to basic services
Impact of ICT on new services and products
Broadband internet subscriptions per 100 population
Mobile network coverage rate
Secure internet servers
Internet & telephony complexion


FinanceMalta investor guide series insurance & pensions

Human Capital

Attracting Foreign Talent

The island’s incredible climate and comfortable lifestyle also make it easy to attract foreign talent to take up positions in Malta’s finance industry. Malta’s laws on immigration are in line with the European Union’s visa obligations for foreign nationals. While EU and EEA citizens are free to work and reside in Malta, non-EU nationals must apply for and obtain an Employment Permit, and the granting of the application is subject to a labour market test.
Taxation in Malta

Malta has a strong international treaty network and its tax system has been approved by the EU and the OECD.

Corporate Tax

Malta offers a highly efficient fiscal regime which avoids double taxation on taxed company profits distributed as dividends. Malta companies are taxed at a rate of 35 per cent. However, a full imputation system applies to the taxation of dividends, whereby the tax paid by the company is imputed as a credit to the shareholder receiving the dividend. Following the distribution of a dividend, shareholders are also entitled to claim a tax refund of 6/7ths of the relevant tax paid in respect of trading income and 5/7ths of the relevant tax paid in the case of passive income and royalties. The refund is reduced to 2/3rds where the distributing company claims double taxation relief.

Income and gains from a participating holding (where a company holds directly at least 10 per cent of the equity shares of a non-resident company, or meets certain other criteria) are exempt from tax. Alternatively, instead of claiming this exemption, a company can choose to pay tax at the normal tax rate and then receive a full refund of the tax paid upon a distribution of dividends.

Malta's tax system has been deemed by the European Commission to be compliant with EU non-discrimination principles and has also gained approval from the OECD.

Basis of Taxation

A company incorporated in Malta is considered to be ordinarily resident and domiciled in Malta and is subject to tax on its worldwide income and capital gains.

A company incorporated outside Malta is considered to be resident in Malta if its management and control is exercised in Malta. But as the company is not domiciled in Malta, it is subject to tax on income arising in Malta and on foreign income (but not capital gains) that it receives in Malta.

A company that is not incorporated not managed or controlled in Malta is subject to income tax only on income and capital gains arising in Malta.

Taxation of Key Vehicles

Banks and Financial Institutions: Banks and financial institutions are taxed like all companies registered in Malta.

Insurance Companies: Special provisions apply to the determination of total income from the business of insurance.

Insurance Managers: Insurance management companies are taxed like all companies registered in Malta. Each cell in a PCC or an IIG is treated as a separate company for tax purposes.

Fund Managers / Fund Administrators: Fund managers and fund administrators are taxed like all companies registered in Malta.

Investment Funds: Malta domiciled funds are, as a general rule, exempt from Maltese income and capital gains tax as long as they do not have over 6% per cent of their assets situated in Malta.

Trusts: When all the beneficiaries of a trust are not domiciled/resident in Malta and where the trust assets are situated outside Malta, no Maltese income tax (or transfer duty) is payable.

Foundations: A foundation may be treated as a Maltese company and benefit from Malta’s full imputation system. Foundations may also opt to be taxed in the same manner as a trust.

Retirement Schemes: Licensed retirement schemes are exempt from tax on income and capital gains but this does not apply to immovable property situated in Malta.

Personal Income Tax in Malta

Individuals are charged on their income at progressive tax rates up to a maximum rate of 45 per cent. However, Malta will reduce the top rate of income tax over the next three years to 25 per cent for those who earn up to €60,000. Tax liability in Malta is based on the following conditions:

<table>
<thead>
<tr>
<th>Rate</th>
<th>Single Computation (€)</th>
<th>Joint Computation (€)</th>
<th>Parental Computation (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0%</td>
<td>0 - 8,500</td>
<td>0 - 11,900</td>
<td>0 - 9,300</td>
</tr>
<tr>
<td>15%</td>
<td>8,501 - 14,500</td>
<td>11,901 - 21,200</td>
<td>9,301 - 15,800</td>
</tr>
<tr>
<td>25%</td>
<td>14,501 - 19,500</td>
<td>21,201 - 28,700</td>
<td>15,801 - 21,200</td>
</tr>
<tr>
<td>31% (2013)</td>
<td>19,501 - 60,000</td>
<td>28,701 - 60,000</td>
<td>21,201 - 60,000</td>
</tr>
<tr>
<td>35% (2014)</td>
<td>19,501 - 60,000</td>
<td>28,701 - 60,000</td>
<td>21,201 - 60,000</td>
</tr>
<tr>
<td>35%</td>
<td>60,001+</td>
<td>60,001+</td>
<td>60,001+</td>
</tr>
</tbody>
</table>

Individuals are taxed on the following basis:

A person who is ordinarily resident and domiciled in Malta is subject to tax on his worldwide income and capital gains.

A person who is resident but not domiciled in Malta is taxed on income and capital gains arising in Malta and on foreign income (but not foreign capital gains) received in Malta.

Non-resident individuals are subject to tax on income and capital gains arising in Malta.

Residence will be based on where a person effectively lives and has a home. The Department of Inland Revenue will consider individuals who have spent in the aggregate more than 183 days in a tax year in Malta as residents of Malta.

Highly Qualified Professionals

To attract highly qualified personnel to the financial services industry, Malta has introduced a new incentive scheme in 2011 targeting well-paid foreign executives.

- Individuals who have their domicile outside of Malta and who are employed in senior positions with a company that is licensed or recognised by the Malta Financial Services Authority to conduct financial business in or from Malta, can benefit from a flat personal income tax rate of 15 per cent on income up to 5 million euro.
- Any income over €5 million will be tax-free.
- To qualify for this tax incentive the employee must earn a minimum of €75,000 per year, amongst other criteria.

The Highly Qualified Persons Rules 2011 apply to the following executive positions, amongst others: Chief Executive Officer, Chief Risk Officer, Chief Financial Officer, Chief Operations Officer, Chief Technology Officer, Portfolio Manager, Chief Investment Officer, Senior Trader/Trader, Senior Analyst (including Structuring Professional), Actuarial Professional, Chief Underwriting Officer, Chief Insurance Technical Officer, Head of Marketing and Head of Investor Relations.

EU nationals can benefit for an unlimited period from the reduced tax rate, EEA and Swiss nationals for a period of five consecutive years, while third-country nationals for four consecutive years. These periods commence in the year in which the recipient of the benefit becomes liable to tax in Malta.
Travel & Living

Malta's mild climate and sparkling blue seas make for a business environment that is second to none: compact but cosmopolitan, sophisticated but stress-free. In today’s hectic world, Malta offers the perfect balance between work and relaxation. Long sunny days and beautiful surroundings provide for an enviable outdoor lifestyle, and with its short distances, you can wave goodbye to long commuting hours and enjoy the friendly company of a growing expat community.

Globally Connected

It just takes two to three hours flying time from most European cities to reach Malta International Airport (MIA), the island’s only airport. Regular flights are provided by Air Malta, Malta’s national airline, as well as other airlines such as Lufthansa, Emirates, Air France, Aerovisit, Alitalia, Austrian Airlines, Scandinavian Airlines, Ryanair, Easyjet and Spanair.

Five-star Luxury

International hotel chains such as Hilton, Radisson, Corinthia and Intercontinental are present in Malta. Superior accommodation is also offered at the Palace Hotel, the Phoenicia Hotel, the Westin Dragonara Resort or the five-star boutique hotel Xara Palace Relais & Chateaux. The main tourist centres are Sliema and St. Julian’s as well as Bugibba and Qawra.

Flavours of the Mediterranean

There are many restaurants in which to enjoy a pleasant Mediterranean evening: from smart city restaurants in Baroque palaces to family-run trattoria-style places or seafront fish restaurants, the choice is wide. Bacchus Restaurant in Mdina and Barracuda Restaurant in St. Julian’s are two of Malta’s best establishments.

Markets and Malls

Most international chains and brands have a presence in Malta. Exclusive boutiques also sell designer wear at relatively low prices. The main shopping districts are Sliema and Valletta, where one can also find shopping complexes and street markets. Shops are usually open from 9 am – 1 pm and 4 pm – 7 pm and most are closed on Sundays.

Best Climate in the World

Malta enjoys more than 300 days of sunshine during the year. The magazine ‘International Living’ has rated the country’s climate the best in the world. Summers are dry and warm and winters are mild with daytime temperatures usually above 12 degrees. Even in winter Malta enjoys an average of 5 to 6 hours of sunshine and more than 12 hours a day in summer.

Double Taxation Treaties

Malta has signed agreements for the avoidance of double taxation with over 60 countries. The Maltese tax system also includes Commonwealth relief, unilateral relief and the flat rate foreign tax credit, thereby ensuring that income arising from overseas is not subject to double taxation, even if there is no double taxation agreement in force.

Malta has signed agreements for double taxation treaties with:

- Albania
- Australia
- Austria
- Bahrain
- Barbados
- Belgium
- Bulgaria
- Canada
- China
- Croatia
- Cyprus
- Czech Republic
- Denmark
- Egypt
- Estonia
- Finland
- France
- Georgia
- Germany
- Greece
- Hong Kong
- Hungary
- Ireland
- India
- Ireland
- Isle of Man
- Italy
- Jersey
- Jordan
- Korea
- Kuwait
- Latvia
- Lebanon
- Libya
- Lithuania
- Luxembourg
- Malaysia
- Montenegro
- Morocco
- Netherlands
- Norway
- Pakistan
- Poland
- Portugal
- Qatar
- Romania
- San Marino
- Saudi Arabia
- Serbia
- Singapore
- Slovakia
- Slovenia
- South Africa
- Spain
- Sweden
- Switzerland
- Syria
- Tunisia
- United Arab Emirates
- United Kingdom
- USA
- Uruguay

Malta has signed but not in force:

- Belgium (amendment to treaty)
- China (treaty will enter into force on 10th March 2013)
- Croatia (treaty to replace existing one)
- South Africa (amendment to treaty)
- Turkey

Malta has also signed agreements for the avoidance of double taxation with:

- Albania
- Australia
- Austria
- Bahrain
- Canada
- China
- Croatia
- Cyprus
- Czech Republic
- Denmark
- Egypt
- Estonia
- Finland
- France
- Georgia
- Germany
- Greece
- Hong Kong
- Hungary
- Ireland
- Italy
- Jordan
- Korea
- Kuwait
- Latvia
- Lebanon
- Libya
- Lithuania
- Luxembourg
- Malaysia
- Montenegro
- Morocco
- Netherlands
- Norway
- Pakistan
- Poland
- Portugal
- Qatar
- Romania
- San Marino
- Saudi Arabia
- Serbia
- Singapore
- Slovakia
- Slovenia
- South Africa
- Spain
- Sweden
- Switzerland
- Syria
- Tunisia
- United Arab Emirates
- United Kingdom
- USA
- Uruguay

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- Albania
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- China
- Croatia
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- Egypt
- Estonia
- Finland
- France
- Georgia
- Germany
- Greece
- Hong Kong
- Hungary
- Ireland
- India
- Ireland
- Isle of Man
- Italy
- Jersey
- Jordan
- Korea
- Kuwait
- Latvia
- Lebanon
- Libya
- Lithuania
- Luxembourg
- Malaysia
- Montenegro
- Morocco
- Netherlands
- Norway
- Pakistan
- Poland
- Portugal
- Qatar
- Romania
- San Marino
- Saudi Arabia
- Serbia
- Singapore
- Slovakia
- Slovenia
- South Africa
- Spain
- Sweden
- Switzerland
- Syria
- Tunisia
- United Arab Emirates
- United Kingdom
- USA
- Uruguay
10 reasons why expats enjoy living in Malta

**Living Heritage**
With 7,000 years of history and many remains visible to this day, Malta has been described as an open-air museum. Megalithic temples, medieval towns and massive bastions have all been declared as UNESCO World Heritage Sites. They regularly provide the backdrop for events listed in Malta's packed cultural calendar such as concerts, plays or art exhibitions.

**Short Distances**
Malta has a road network of 1,500 kilometres, however, it only takes 45 minutes to cross the island. The public transport system has recently been overhauled and is now operated by German-owned Arriva Group. A new network of routes and a new fleet of modern buses provide an extensive service across Malta and Gozo. A train service does not exist in Malta.

**Low Crime Location**
Malta offers a stable, secure environment for families with young children. Crime is almost non-existent. Children play on the streets and there are still some areas where people leave their door unlocked at night. Foreigners find it easy to integrate with the local community. The Maltese are a sociable bunch and make every visitor feel welcome.

**English-Speaking Destination**
English is one of Malta's official languages, Maltese the other. English is the main language of business while laws and regulations are published in both languages. Many Maltese are also fluent in Italian and some even speak another language, mainly German or French.

**Morning News and Evening Shows**
Malta's bilingual culture is also reflected in the media landscape and half the newspapers are published in English. Foreign newspapers can be purchased easily due to Malta's orientation towards tourism. In addition to satellite TV, two private cable-TV providers offer most international channels and favourite programmes.

**Value for Money**
The cost of living in Malta is one of the lowest in Europe, yet banking, taxation, insurance, social security, utilities and communications services are sophisticated, professional and reliable, often surpassing those offered in many European nations.

**First Class Healthcare**
Malta has one of the best health services in the world. EU nationals resident in Malta are eligible to receive free medical treatment at public hospitals and clinics. The main general hospital is Mater Dei Hospital in Msida, while many towns and villages have their own medical clinics. Malta also has several private hospitals located around the island, such as the renowned St. James Hospital in Sliema.

**High Quality Education**
Malta provides an excellent standard of education. Children can be educated in one of the private international schools such as St Michael's School in Pembroke or enrolled in the local state, church or independent schools. Kindergarten facilities are also available. Tertiary education is offered through the University of Malta and other institutes and private colleges.

**A Home in the Sun**
There is a wide range of properties available to rent or purchase, from furnished apartments to farmhouses, villas with pools, and even palaces, all at competitive prices. A number of five-star developments have recently been built on the island, including Portomaso and Tigne Point, which offer luxury apartments surrounded by commercial, health, fitness and leisure facilities.
Valletta

Named after Jean Parisot de la Valette, who was Grand Master of the Order of St. John and founder of the city, Malta’s capital is today a UNESCO World Heritage site dotted with museums, art and architecture.

Prehistoric sites

Malta has a number of prehistoric sites such as Hagar Qim, Tarxien Temples and Ghar Dalam. In all, five of these temples are listed as UNESCO World Heritage sites including the oldest known freestanding temples in the world at Ggantija and the underground wonder of the Hal Saflieni Hypogeum.

TOP 5 PLACES TO VISIT

Gozo

Malta’s smaller sister island is just a 20 minute ferry ride away. Gozo is distinctly different from Malta. The island has stunning seascapes and rural landscapes and is also known for its scenic hills. It also boasts the Azure Window, a natural rock arch.
Bank of Valletta PLC

Bank of Valletta is a leading financial services provider in Malta, offering investment banking, private banking, fund management, baiance assurance, stockbroking and trustee services. The Bank serves its clients via an extensive national network of branches, with an International Corporate Centre and Business Centres catering to its business clients, and a Wealth Management department and Investment Centers offering tailor-made services to those wishing to invest. Representative Offices in Milan, Brussels, Tripoli and Melbourne liaise with clients who have interests in these countries. The Bank’s services are available on a 24/7 basis via the internet, telephone and mobile.

As a locally and internationally renowned financial institution, a leader in Malta’s financial services sector, Bank of Valletta PLC is well placed to offer a wide range of banking products and services to both local and international clients.

Malta Business Profiles

Accounting and Auditing

Baker Tilly Sant

Ernst & Young

KPMG

PwC

KPMG

Banking

Bank of Valletta plc

HSBC Commercial Banking

Sparkasse Bank Malta plc

Banking

Government Agency

Finance Malta

Malta Enterprise

Government Agency

HR & Recruitment

Castille Resources

Insurance Services

Abacus Risk Management Services PCC Ltd

Aon Insurance Managers (Malta) Limited

Atlas Insurance PCC Limited

First United Insurance Brokers Ltd

GasanMamo Insurance Ltd

HighDome PCC Ltd

Marsh Management Services Malta Limited

South Risk Partners Ltd

STMicroelectronics Malta Limited

Investment Services

Curti & Partners Ltd

Legal Services

Fenech & Fenech Advocates

Fenech Farrugia Fiott Legal

Garano Advocates

Telecom

Vodafone Malta Limited

WHO’S WHO THE MALTA BUSINESS PROFILES

ABACUS RISK MANAGEMENT SERVICES PCC LTD

Abacus Risk Management Services PCC Ltd, an Associate Company of GasanMamo Insurance Ltd, provides the set up and efficient management of your captive, protected cell(s) or other insurance operations in Malta by a team of experienced professionals overseen by Abacus Executive Directors with more than 60 years combined experience in the complex world of captive and global insurance. Abacus’ protected cells also provide foreign insurance managers the opportunity to establish a presence in Malta at reasonable cost thereby enabling their clients to benefit from Malta’s direct writing, tax efficient and compliant European jurisdiction. Abacus, the Insurance Manager of choice for Malta, the domicile of choice.

Aon Insurance Managers (Malta) Limited

Aon Insurance Managers (Malta Limited) operates to the highest standards in providing (re)insurance management services and Protection Cell Company (PCC) facilities to its clients since its incorporation in 2005. Aon manages the largest PCC in Malta – White Rock (Europe) PCC Limited. With over 100 years combined experience in insurance, Aon is able to provide clients with further flexibility to the unmatched array of insurance solutions already offered. As a global leader in insurance management and solutions, Aon is able to offer an unrivalled service across all industry sectors.

Atlas Insurance PCC Limited

One of Malta’s leading insurance organisations since the 1920s, Atlas Insurance converted to an independent Protection Cell Company in 2006, a first for Malta and the EU, continuing to write local insurance in its non-cellular core. Atlas PCC-gives the opportunity to set up their own EU insurance vehicle with less capital and less cost while also avoiding fronting requirements. We are an independent PCC giving the option to promoters to subcontract cell management to authorised insurance managers. Cells in Atlas can also write third party risks whereby our substantial active core provides added security and flexibility.

Baker Tilly Sant

Baker Tilly Sant is a firm of accountants, auditors, taxation and business advisors providing services for businesses operating in all spheres of the economy, both locally and overseas. Baker Tilly Sant is an independent member of Baker Tilly International, a worldwide association of leading accountancy practices operating locally and overseas. Baker Tilly Sant is able to offer an independent and innovative service in support of clients’ business goals.

Charles Borg

Chief Executive Officer

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Contact: Mr. Romeo Cutajar – Chief Officer Financial Markets & Investments

Finance Malta investor guide series insurance & pensions

Malta Business Profiles

ATLAS INSURANCE PCC LIMITED

Atlas Insurance is one of Malta’s leading insurance providers, and the first to offer protection cell facilities. With over 100 years of experience, Atlas Insurance has established a strong reputation in the local insurance market and has successfully managed protection cell facilities for a number of clients from around the world. Atlas Insurance is committed to providing high-quality insurance solutions and customer service, and offers a wide range of insurance products to meet the needs of its clients.

AON INSURANCE MANAGERS (MALTA) LIMITED

Aon Insurance Managers (Malta Limited) operates to the highest standards in providing (re)insurance management services and Protection Cell Company (PCC) facilities to its clients since its incorporation in 2005. Aon manages the largest PCC in Malta – White Rock (Europe) PCC Limited. With over 100 years combined experience in insurance, Aon is able to provide clients with further flexibility to the unmatched array of insurance solutions already offered. As a global leader in insurance management and solutions, Aon is able to offer an unrivalled service across all industry sectors.

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Abacus Risk Management Services PCC Ltd

Abacus Risk Management Services PCC Ltd, an Associate Company of GasanMamo Insurance Ltd, provides the set up and efficient management of your captive, protected cell(s) or other insurance operations in Malta by a team of experienced professionals overseen by Abacus Executive Directors with more than 60 years combined experience in the complex world of captive and global insurance. Abacus’ protected cells also provide foreign insurance managers the opportunity to establish a presence in Malta at reasonable cost thereby enabling their clients to benefit from Malta’s direct writing, tax efficient and compliant European jurisdiction. Abacus, the Insurance Manager of choice for Malta, the domicile of choice.

Accounting and Auditing

Baker Tilly Sant

Ernst & Young

KPMG

PwC

KPMG

Banking

Bank of Valletta plc

HSBC Commercial Banking

Sparkasse Bank Malta plc

Banking

Government Agency

Finance Malta

Malta Enterprise

Government Agency

HR & Recruitment

Castille Resources

Insurance Services

Abacus Risk Management Services PCC Ltd

Aon Insurance Managers (Malta) Limited

Atlas Insurance PCC Limited

First United Insurance Brokers Ltd

GasanMamo Insurance Ltd

HighDome PCC Ltd

Marsh Management Services Malta Limited

South Risk Partners Ltd

STMicroelectronics Malta Limited

Investment Services

Curti & Partners Ltd

Legal Services

Fenech & Fenech Advocates

Fenech Farrugia Fiott Legal

Garano Advocates

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WHO’S WHO THE MALTA BUSINESS PROFILES

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CASTILLE RESOURCES

Castille is widely recognised as the leading financial recruitment firm in Malta, having an unprecedent track record in the areas of banking, assurance, fund management, fund administration, FOReX and corporate services. Castille Resources delivers best in class talent in Malta through its Permanant Placement, Executive Search and Interim services.

CURRY & PARTNERS LTD

Curry & Partners Ltd is one of the leading investment service providers in Malta. The firm approaches the role of investment management with discipline, structure and analysis. Simply using bank deposits is no longer acceptable in achieving a successful investment strategy for the underlying beneficiary. In risk capital terms, we fully understand the delicate relationship between the need to generate positive returns to the investor and the need to provide within the desired comfort zone. We are of the belief that our clients range from small banks, insurance companies and other corporates, to international family offices and high-net-worth individuals. In all cases we aim to build long-term relationships with our clients, based on trust and our discreet approach to their objectives.

ERNST & YOUNG

Ernst & Young is a global leader in assurance, tax, transactions and advisory services. Our 167,000 people are united by our shared values, which inspire our professional disciplines, where required.

FENEECH & FENEECH ADVOCATES

Fenech & Fenech Advocates, one of the largest full service law firms in Malta, has a strong local and international practice covering a wide range of legal areas, including the full spectrum of corporate and commercial law activities, financial services, tax, immigration law, company law, trusts and foundations, maritime law, banking, insurance, investment funds, capital markets regulation, Trust & Fiduciary Structures, Shipping & Aviation Law, New Media Law, Regulatory Compliance & Gambling Law. It has specialised units involving industry expertise in fund services, asset finance and the gaming sector. The firm’s clientele is versatile, both in terms of size as well as in terms of geographic spread. Our policy is to take a comprehensive and integrated approach, in collaboration with other professional disciplines, where required.

FENEECH FARRUGIA FIOITT LEGAL

Fenech Farrugia Fiott Legal is a full-service law firm whose specific centres of expertise include Corporate & Commercial Law, Mergers & Acquisitions, Taxation, Banking, Insurance, Investment Funds, Capital Markets Regulation, Trust & Fiduciary Structures, Shipping & Aviation Law, New Media Law, Regulatory Compliance & Gambling Law. It has specialised units involving industry expertise in fund services, asset finance and the gaming sector. The firm’s clientele is versatile, both in terms of size as well as in terms of geographic spread. Our policy is to take a comprehensive and integrated approach, in collaboration with other professional disciplines, where required.

FINANCIALMALTASTRUGGIU IGIUSO

Firmala, a non-profit public private initiative, was formally set up as an autonomous Foundation on the 21st May 2007 with the scope of promoting Malta as a financial services centre, both within, as well as outside, its shores. It brings together, and enhances, the resources of the industry and government to ensure that Malta maintains a modern and effective legal, regulatory and fiscal framework in which the financial services sector can continue to grow and prosper. The founding associations are the Malta Funds Industry Association, the College of Stockbrockers, the Malta Bankers’ Association, the Malta Insurance Management Association, and the Institute of Financial Services Practitioners.

GASANMAMO INSURANCE LTD

GasanMamo Insurance has its roots in insurance back to 1947 and has evolved into a household name in Malta. Licensed as a general insurer by the Malta Financial Services Authority in 2003, GasanMamo is focused on adding value in all that it does and puts the customer at the heart of its mission.

GIANNO ADVOCATES

Ganado Advocates, founded in Valletta, Malta, traces its roots to the early 1900s. From its earliest days, Ganado Advocates has been one of the protagonists in local legal practice, contributing to Malta’s internationally recognised reputation as a centre for financial services and maritime law. Ganado Advocates is currently Malta’s largest legal firm and offers a comprehensive range of legal services and solutions for domestic and international clients. The firm enjoys an excellent reputation at national and international level and has relationships with many major firms in Europe, the United States and other continents. Dr. Bianchi currently heads the Insurance & Pensions Department of the firm.

FIRSTUNITED INSURANCE MANAGEMENT LTD

FirstUnited Insurance Management Ltd is Malta’s leading independent manager operating from Malta and under freedom of services throughout the EU. Our team of qualified insurance specialists provides feasibility, establishment, research and assistance services during the application process. After start up our Underwriting & Claims, Finance & Accounts and Corporate Governance & Administration services are offered to intermediaries and re/insurers in Malta. With a thorough understanding of EU insurance regulations, FUM provides specialist insurance management services to Malta-based operations seeking to benefit from EU freedom of services opportunities. FUM’s commitment is to make our clients’ success a reality.

FOM 바랍니다.
The Malta Enterprise (ME) is the national economic development agency focused on promoting inward investment, internationalising businesses and supporting enterprises. Its role is to act as a point of contact for all enterprises and to provide cohesive to government policies and efforts relating to enterprise. ME has a comprehensive package to support the successful entry of international business of any size. ME also offers trade promotion services aimed at assisting local companies access new markets, set up partnerships with foreign companies and introducing foreign companies to suitable manufacturers, service providers, suppliers and potential strategic partners in Malta.

Malta is a member of the E.U. and the Eurozone. All of its economic and monetary policies are aligned to the European Union’s standards.

Aid provided by its highly skilled team working with a network of subsidiaries and board committee members and our management team, we can offer feasible and cost-effective solutions. HighDome is a 100% subsidiary of MDS Group (an international player in insurance and reinsurance brokerage and risk consultancy) and a member of the. HighDome, a global network, is authorised to carry on insurance and reinsurance business and is regulated by the Malta Financial Services Authority.

HighDome PCC Ltd

Established in 2011, HighDome PCC Ltd is a protected cell company providing a number of alternative risk financing services including adverse and non-adverse insurance and reinsurance to risk management and external funding facilities for organisations with offshore captives. With the composition and knowledge and experience of the company’s board committee members and our management team, we can offer feasible and cost-effective solutions. HighDome is a 100% subsidiary of MDS Group (an international player in insurance and reinsurance brokerage and risk consultancy) and a member of the. HighDome, a global network, is authorised to carry on insurance and reinsurance business and is regulated by the Malta Financial Services Authority.

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Marsh Management Services Malta Limited

Marsh is a wholly owned subsidiary of Marsh & McLennan Companies (NYSE: MMC), a global team of professional services companies offering client-based advice and solutions in the areas of risk, strategy and human capital.

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South Risk Partners Ltd

South Risk Partners Ltd is a Maltese boutique risk & insurance advisor firm focused on providing tailor-made solutions to the international insurance community. Our client base is mainly insurance and reinsurance companies, captive owners and other firms seeking to assess themselves of the various benefits and specific Maltese legal infrastructure aimed at the international insurance sector. The firm offers services in the following areas: - insurance advisory and insurance management. These are provided by our highly skilled team working with a network of subsidiaries and professional advisors to ensure the best outcome for our clients.

Sparkasse Bank Malta P.L.C.

The Bank forms part of the Austrian Savings Banks and the Erste Group Bank AG network. From Malta the Bank provides Private Banking, Wealth Management and Fund Custody solutions. Fund custody is a core business for the bank and its expertise in the field allows for flexible and practical workable solutions. The Bank provides all of its custody services to KLB, ABF in Malta and internationally, offering a personal, tailored and seamless banking, execution and settlement solution.

Vodafone guarantees 24x7 technical support, multiple carrier connectivity and an advanced network control. Malta also operates a state-of-the-art carrier grade co-location facility serving the success of any insurer.

The Malta office was formed in July 2005 and is the market leader for Malta in the formation and management of affiliated and non affiliated insurance and reinsurance companies. Clients under the Company’s management comes from a wide range of industries and geographies from around the world. Marsh is a wholly owned subsidiary of Marsh & McLennan Companies (NYSE: MMC), a global team of professional services companies offering client-based advice and solutions in the areas of risk, strategy and human capital.

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Marsh

Marsh Management Services Malta Limited
what
a great combination

your firm benefiting from membership to FinanceMalta

Membership advantages include:
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• Participate in webinars & podcasts
• Opportunities to showcase your firm
• Business networking & educational events
• Complimentary passes to some of Europe’s most important events
• Opportunity to take part in road shows, press briefings & workshops
• Access to market intelligence reports & branded marketing materials

more information on:
www.financemalta.org
Malta
The culture of getting things done

Securely Regulated
Market Driven
Competitively Skilled