

SECOND SUPPLEMENT TO THE GIBRALTAR GAZETTE

No. 4800 GIBRALTAR Thursday 24th December 2020

LEGAL NOTICE NO. 500 OF 2020

EUROPEAN UNION (WITHDRAWAL) ACT 2019

FINANCIAL SERVICES ACT 2019 (AMENDMENT) (EU EXIT) REGULATIONS 2020

In exercise of the powers conferred on the Minister by section 11 of the European Union (Withdrawal) Act 2019, the Minister has made these Regulations—

Title.

1. These Regulations may be cited as the Financial Services Act 2019 (Amendment) (EU Exit) Regulations 2020.

Commencement.

2. These Regulations come into operation on 1st January 2021.

Amendment of the Financial Services Act 2019.

3. The Financial Services Act 2019 is amended in accordance with regulations 4 to 43.

Amendment of Part 1.

4.(1) In section 2(1)—

(a) in paragraph (a), omit “and”;

(b) in paragraph (b)—

(i) in both places it occurs, for “instruments” substitute “Regulations”; and

(ii) for “interpreted.” substitute “interpreted; and”; and

(c) after paragraph (b) insert—

“(c)Part 3 of which lists EU Directives referred to in this Act and explains how references to those Directives are to be interpreted.”.

(2) In section 2(2)—

- (a) omit the following definitions–
 - (i) “EBA”;
 - (ii) “EEA authorisation”;
 - (iii) “EEA firm”;
 - (iv) “EEA right”;
 - (v) “EEA State”; and
 - (vi) “EIOPA”;
 - (b) in the definition of “enactment, at the end insert “and includes any retained direct EU legislation”; and
 - (c) omit the following definitions–
 - (i) “ESMA”;
 - (ii) “ESRB”;
 - (iii) “home state regulator”; and
 - (iv) “the Single Market Directives”;
 - (d) after the definition of “subsidiary undertaking”, insert–
““technical standards” has the meaning given in section 626A(2);”; and
 - (e) omit the definition of “TFEU”.
- (3) For section 2(3)(b), substitute–
- “(b) in another country or territory, the authority which exercises functions equivalent to those exercised by the GFSC under the relevant provisions of this Act.”.
- (4) After section 2(3), insert–
- “(4) In this Act or any provision made under it, except where there is express provision to the contrary–
- (a) a reference to an amount in euros includes a reference to an equivalent amount in sterling; and
 - (b) the equivalent in sterling on a particular day of a sum expressed in euros is to be determined by converting that sum into its equivalent in sterling

using the exchange rate for the euro and sterling for the previous working day.

(5) The Minister may by notice in the Gazette specify the exchange rate to be used for the purposes of subsection (4).".

Amendment of Part 2.

5.(1) In section 7(2), for paragraphs (b) to (d) substitute—

“(b) Column 3 specifies the provisions of Schedule 2 which define the activity; and

(c) Column 4 specifies the general description used to identify a person carrying on the activity.”.

(2) In section 12(6)(b)(iv), for “an EEA State” substitute “Gibraltar or the United Kingdom”.

(3) For section 19, substitute—

“19.(1) In the cases described in this section, a person (“A”) who is carrying on a regulated activity but would not otherwise be regarded as carrying it on in Gibraltar is, for the purposes of this Act, to be regarded as carrying it on from Gibraltar.

(2) The first case is where—

(a) A’s registered office (or if A has no registered office, A’s head office) is in Gibraltar; and

(b) the day-to-day management of the carrying on of the regulated activity is the responsibility of A’s registered office (or head office) or another establishment maintained by A in Gibraltar.

(3) The second case is where—

(a) A’s head office is not in Gibraltar; but

(b) the activity is carried on from an establishment maintained by A in Gibraltar.

(4) The third case is where—

(a) the regulated activity being carried on by A is the regulated activity of managing an AIF;

(b) the AIF being managed—

(i) has its registered office in Gibraltar; or

- (ii) is marketed in Gibraltar;
 - (c) A's registered office is in Gibraltar or, if A does not have a registered office, A's head office is in Gibraltar; and
 - (d) the activity is carried on from an establishment maintained in a country or territory outside Gibraltar.
- (5) For the purposes of subsections (2) to (4) it is irrelevant where the person with whom the regulated activity is carried on is situated.
- (6) For the purposes of this section, an AIF is "marketed" when—
- (a) the person managing the AIF ("the AIFM") makes a direct or indirect offering or placement of units or shares of the AIF to or with an investor domiciled or with a registered office in Gibraltar; or
 - (b) another person makes such an offering or placement at the initiative of, or on behalf of, the AIFM."

Amendment of Part 3.

6.(1) In section 20—

- (a) re-number subsection (1) as section 20; and
- (b) omit subsection (2).

(2) In section 22(1), for paragraph (k), substitute—

“(k) in respect of regulated activities which persons authorised in Gibraltar may carry on in, and under the law of, the United Kingdom, to supervise and regulate those regulated activities in accordance with standards and supervisory practices which are aligned to the standards and supervisory practices governing those activities in the United Kingdom.”.

(3) In section 33(1), for “EU instruments” substitute “legislation”.

Amendment of Part 5.

7.(1) In section 46(1), for paragraph (a) substitute—

“(a) for the purpose of facilitating the carrying out of a function conferred on it by or under this Act or any other enactment;”.

(2) For section 50(2), substitute—

“(2) For the purposes of subsection (1), a “relevant function” means a function of the requesting foreign regulator which is similar to a function of the GFSC.”.

Amendment of Part 6.

8.(1) In section 53, omit paragraph (b).

(2) In section 54(1), omit paragraphs (b) and (c).

(3) Omit section 57.

(4) Omit section 58.

(5) Omit section 59.

(6) Omit section 60.

(7) In section 61(2), omit paragraph (c).

Amendment of Part 7.

9.(1) Omit section 63(6).

(2) For section 66, substitute—

“Firms based outside Gibraltar.

66.(1) This section applies in relation to a firm (“the foreign firm”) which—

(a) is a body incorporated in, or formed under the law of, or is an individual who is a national of, any country or territory outside Gibraltar; and

(b) is carrying on a regulated activity in any country or territory outside Gibraltar in accordance with the law of that country or territory (“the foreign state”).

(2) In determining whether the foreign firm is satisfying or will satisfy, and continue to satisfy, any one or more of the threshold conditions, the GFSC may have regard to any opinion notified to it by a regulatory authority in the foreign state (“the foreign regulator”) which relates to the foreign firm and appears to the GFSC to be relevant to compliance with those conditions.

(3) In considering how much weight (if any) to attach to the opinion, the GFSC must have regard to the nature and scope of the supervision exercised in relation to the foreign firm by the foreign regulator.”.

(3) In section 73—

- (a) omit subsection (4);
 - (b) in subsection (5), omit “in any case in which the GFSC does not consider that the exercise of the power is necessary in order to comply with an EU obligation,”; and
 - (c) omit subsection (7).
- (4) In section 77(3)(c), for “an EEA State” substitute “Gibraltar”.
- (5) In section 83–
- (a) in subsection (1) omit “subject to the conditions of a Single Market Directive”; and
 - (b) omit subsection (3).

Amendment of Part 8.

10.(1) For section 84, substitute–

“84. This Part applies to regulated firms and audit firms.”

- (2) In section 86(1)–
- (a) after paragraph (b) insert “or”; and
 - (b) omit paragraph (c).
- (3) In section 87 omit subsection (3).
- (4) In section 88 omit subsection (3).

Amendment of Part 9.

11.(1) In section 107(1), for the definition of “credit institution” substitute–

““credit institution” means–

- (a) a credit institution which has Part 7 permission to carry on the regulated activity of accepting deposits; or
 - (b) an institution which would satisfy the requirements for being given permission under Part 7 to carry on that activity if it had its registered office (or if it does not have a registered office, its head office) in Gibraltar;”.
- (2) In section 108, for paragraph (b) substitute–

“(b)a subsidiary undertaking includes, in relation to a body incorporated in or formed under the law of a country or territory outside Gibraltar, an undertaking controlled by a parent undertaking or a subsidiary undertaking of an ultimate parent undertaking (and parent undertaking is to be read accordingly).”.

(3) In section 117–

(a) in subsection (4), for paragraph (b) substitute–

“(b)has a Part 7 permission to carry on one or more investment services and activities;”; and

(b) in subsection (6)(a)(ii), for “Annex I, section A.6 of the MiFID 2 Directive” substitute “paragraph 53 of Schedule 2”.

(4) Omit section 121.

(5) In section 123(4)–

(a) in paragraph (a), for “the EEA” substitute “Gibraltar”; and

(b) in paragraph (b), after “under” insert “the laws of Gibraltar relied on immediately before IP completion day to give effect to”.

Amendment of Part 11.

12. In section 149(1)–

(a) in paragraph (c), for “EU instrument” substitute “retained EU law”; and

(b) in paragraph (d)(ii), for “EU instrument” substitute “retained EU law”.

Amendment of Part 14.

13.(1) In section 179(1), for the definition of “financial service provider” substitute–

““financial service provider” means a person who is authorised under this Act to carry on a regulated activity and does so in or from Gibraltar and includes–

(a) a collective investment scheme authorised under Chapter 3 or 4 of Part 18;

(b) an experienced investor fund established in accordance with regulations made under section 339;

(c) an IORP authorised under Part 26; or

(d) a personal pension scheme approved under Part 27;”.

(2) Omit section 182(6).

(3) In section 188(3), omit “, including in respect of cross-border disputes”.

Amendment of Part 15.

14.(1) In section 195–

(a) in paragraph (a), omit “and gives effect to the DGS Directive”; and

(b) in paragraph (b), omit “and, together with that Part, gives effect to the Recovery and Resolution Directive”.

(2) In section 196–

(a) after the definition of “covered deposit” insert–

““credit institution” means a credit institution as defined in Article 4.1(1) of the Capital Requirements Regulation, other than an entity in regulation 5 of the Financial Services (Credit Institutions and Capital Requirements) Regulations 2020;”;

(b) for the definition of “deposit guarantee scheme” substitute–

““deposit guarantee scheme” means the Scheme or any deposit guarantee scheme of a similar kind;”;

(c) for the definition of “micro, small or medium-sized enterprise” substitute–

““micro, small or medium-sized enterprise” means an enterprise which employs fewer than 250 persons and which has an annual turnover not exceeding €50,000,000 or an annual balance sheet total not exceeding €43,000,000;”;

(d) after the definition of “Scheme participant” insert–

““third country” means a country or territory outside Gibraltar;”.

(3) In section 200–

(a) in subsection (1)(e)–

(i) for “Recovery and Resolution Directive” substitute “Financial Services (Recovery and Resolution) Regulations 2020”; and

- (ii) for “Articles 37, 38, 40, 41 and 42 of that Directive” substitute “regulations 37, 38, 40, 41 and 42 of those Regulations”; and
 - (b) in subsection (4), for “Recovery and Resolution Regulations made under Part 17” substitute “Financial Services (Recovery and Resolution) Regulations 2020”.
- (4) In section 204, in the definition of “branch” omit “in the EEA”.
- (5) In section 205–
 - (a) in subsection (1), for “the DGS Directive” substitute “this Chapter”;
 - (b) in subsection (2) omit “and with the EBA”; and
 - (c) omit subsection (3).
- (6) In section 206–
 - (a) in subsection (1)(b)–
 - (i) for “non-EEA State” substitute “third country”; and
 - (ii) for “that State” substitute “that country”; and
 - (b) omit subsection (2);
- (7) In section 207–
 - (a) in subsection (1), for “prescribed by the DGS Directive” substitute “provided under this Act”;
 - (b) in subsection (2), for “for in the DGS Directive” substitute “under this Act”;
 - (c) in subsection (3), for “then, subject to Article 47.1 of the Capital Requirements Directive, it may” substitute “, it must”;
 - (d) in subsection (4), for “not a member of a deposit guarantee scheme operating in an EEA State” substitute “a member of a deposit guarantee scheme other than the Scheme”; and
 - (e) in subsection (6), for “the European Economic Area” substitute “Gibraltar”.
- (8) In section 208–
 - (a) in subsection (1) omit “and the DGS Directive”;

- (b) in subsection (7), for paragraphs (a) to (c) substitute—
 - “(a) English; or
 - (b) the language that was chosen by the depositor when the account was opened.”; and
 - (c) omit subsection (9).
- (9) In section 209—
- (a) in subsection (5), for “within the meaning of Article 113.7 of the Capital Requirements Regulation” substitute “a contractual or statutory liability arrangement which protects the institutions concerned and, in particular, ensures their liquidity and solvency”; and
 - (b) in subsection (19) omit “with the approval of the European Commission”.
- (10) Omit section 211.
- (11) In section 212—
- (a) in subsection (1)(b)—
 - (i) for “an EEA State” substitute “the United Kingdom”; and
 - (ii) for “that EEA State” substitute “the United Kingdom”;
 - (b) in subsection (2)—
 - (i) in paragraph (c), for “money laundering as defined in Article 1.3 of the Money Laundering Directive” substitute “a money laundering offence under the Proceeds of Crime Act 2015 or the equivalent law of a country or territory outside Gibraltar”;
 - (ii) in paragraph (f), for “Article 14.1 of the Money Laundering Directive” substitute “Part III of the Proceeds of Crime Act 2015 or the equivalent law of a country or territory outside Gibraltar”; and
 - (iii) in paragraph (g) omit “as referred to in Article 13.1 to 13.6 of the Solvency 2 Directive”.
- (12) In section 216(2)—
- (a) after “Scheme participant” insert “in Gibraltar or the United Kingdom”; and
 - (b) for “, the currency, or the location within the EEA” substitute “or currency”.

- (13) In section 217–
- (a) in subsection (8) omit paragraph (e); and
 - (b) in subsection (9) omit “as defined in Article 1.3 of the Money Laundering Directive”.
- (14) In section 218–
- (a) in subsection (1), for “Subject to subsection (3), the” substitute “The”; and
 - (b) omit subsection (3).
- (15) In section 221(4), for paragraphs (a) to (c) substitute–
- “(a) English; or
 - (b) the language that was agreed by the depositor and the Scheme participant when the account was opened.”.
- (16) In section 222–
- (a) in subsection (1) omit “and the DGS Directive”;
 - (b) in subsection (2), for “Article 109 of the Recovery and Resolution Directive” substitute “regulation 100 of the Financial Services (Recovery and Resolution) Regulations 2020”;
 - (c) in subsection (4)(a), for “Article 32 of the Recovery and Resolution Directive” substitute “regulation 32 of the Financial Services (Recovery and Resolution) Regulations 2020”; and
 - (d) in subsection (6), for “Article 27(1) of the Recovery and Resolution Directive” substitute “regulation 27 of the Financial Services (Recovery and Resolution) Regulations 2020”.
- (17) Omit sections 223 to 225.
- (18) In section 226(c), for “transposition of the DGS Directive into the law of Gibraltar” substitute “coming into operation of this Part”.
- (19) In section 227–
- (a) in the definition of “branch” omit “in the EEA”;
 - (b) omit the definition of “EEA financing arrangement”;

(c) for the definition of “investment firm” substitute–

““investment firm” means an investment firm as defined in Article 4.1(2) of the Capital Requirements Regulation that is subject to the initial capital requirement specified in regulation 19(2) of the Financial Services (Credit Institutions and Capital Requirements) Regulations 2020; and”.

(20) Omit section 228(6).

(21) In section 229–

(a) in paragraph (a)(i), for “Article 31 of the Recovery and Resolution Directive” substitute “regulation 31 of the Financial Services (Recovery and Resolution) Regulations 2020”;

(b) in paragraph (a)(ii), for “Article 34 of that Directive” substitute “regulation 34 of the Financial Services (Recovery and Resolution) Regulations 2020”; and

(c) in paragraph (b)(i), for “Article 101 of that Directive” substitute “regulation 97 of the Financial Services (Recovery and Resolution) Regulations 2020”.

(22) In section 230(8) omit “, having regard to any delegated acts adopted by the European Commission under Article 103.7 of the Recovery and Resolution Directive”.

(23) Omit section 231(6).

(24) Omit section 233.

(25) In section 234, for “Article 107 of the Recovery and Resolution Directive” substitute “regulation 98 of the Financial Services (Recovery and Resolution) Regulations 2020”.

Amendment of Part 16.

15.(1) In section 236 omit “and gives effect to the Investor Compensation Scheme Directive”.

(2) In section 237(1)–

(a) omit the following definitions–

(i) “EEA AIFM”;

(ii) “EEA branch”;

(iii) “EEA investment firm”; and

(iv) “EEA UCITS management company”;

- (b) after the definition of “Gibraltar investment firm” insert ““Gibraltar Scheme” has the meaning given in section 236;”;
 - (c) in the definition of “investment business”–
 - (i) in paragraph (b), for “Article 6.4 of the AIFM Directive” substitute “regulation 12(4) of the Financial Services (Alternative Investment Fund Managers) Regulations 2020”; and
 - (ii) in paragraph (c), for “Article 6.3 of the UCITS Directive” substitute regulation 15(1) of the Financial Services (UCITS) Regulations 2020; and
 - (d) omit the definition of “non-EEA investment firm”; and
 - (e) after the definition of “participating firm” insert–
 - ““third country” means a country other than Gibraltar or the United Kingdom;
 - “third country firm” means a firm which has its head office or registered office in a third country;
 - “third country investment firm” means a third country firm which is an investment firm;
 - “UK firm” has the meaning given in section 248; and
 - “UK Scheme” has the meaning given in section 248.”.
- (3) In section 237(2)–
- (a) for “the territory of one EEA State” substitute “one country or territory”; and
 - (b) for “the territory of another EEA State” substitute “another country or territory”.
- (4) In section 244(2)(a) omit “in Gibraltar, and in the official language or languages of the EEA State where a branch of a participating firm is situated”.
- (5) For section 247, substitute–

“Participation in scheme: Gibraltar investment firms.

247.(1) A Gibraltar investment firm must participate in the Gibraltar scheme.

(2) An in-scope Gibraltar AIFM whose Part 7 permission includes providing the discretionary portfolio management service in paragraph (a) of regulation 12(4) of the Financial Services (Alternative Investment Fund Managers) Regulations 2020 must participate in the Gibraltar scheme in respect of the services it provides under that regulation.

(3) A Gibraltar UCITS management company whose Part 7 permission includes providing the discretionary portfolio management service in paragraph (a) of regulation 15(1) of the Financial Services (UCITS) Regulations 2020 must participate in the Gibraltar scheme in respect of the services it provides under that regulation.”.

(6) For section 248, substitute–

“Participation in scheme: UK firms.

248.(1) Where a UK firm has a branch in Gibraltar, that branch is not obliged to participate in the Gibraltar scheme if the firm participates in the United Kingdom’s Financial Services Compensation Scheme (the “UK Scheme”).

(2) A branch which, by virtue of subsection (1) is not obliged to participate in the Gibraltar scheme, may apply to participate voluntarily in that scheme (see section 258).

(3) In this Part a “UK firm” means a firm which has its head office or registered office in the United Kingdom and which is regulated under the law of the United Kingdom as–

(a) an investment firm;

(b) an AIFM which–

(i) provides discretionary portfolio management services of the kind in regulation 12(4)(a) of the Financial Services (Alternative Investment Fund Managers) Regulations 2020; and

(ii) participates in the UK scheme in respect of the services it provides of the kind in regulation 12(4) of those regulations; or

(c) a UCITS management company which–

(i) provides discretionary portfolio management services of the kind in regulation 15(1)(a) of the Financial Services (UCITS) Regulations 2020; and

(ii) participates in the UK scheme in respect of the services it provides of the kind in regulation 15(1) of those regulations.”.

(7) In section 249–

(a) in the heading, for “non-EEA” substitute “third country”; and

(b) in subsection (1) for “non-EEA” substitute “third country”.

(c) after subsection (2) insert—

“(3) A branch which, by virtue of subsection (2) is not obliged to participate in the Gibraltar scheme, may apply to participate voluntarily in that scheme (see section 258).”.

(8) Omit sections 250 to 253.

(9) In section 254—

(a) in subsection (1) for “Gibraltar firms and non-EEA participating firms which are” substitute “any firm which is”; and

(b) in subsection (3) for “compliance of the participating firm” substitute “firm’s compliance”.

(10) In section 255(4) for “its permission under Part 7” substitute “its Part 7 permission or other authorisation under this Act”.

(11) In section 256(a) for “to 253” substitute “or 249”.

(12) In section 258—

(a) in the heading omit “by branch of an EEA firm”;

(b) for subsection (1) substitute—

“(1) This section makes provision in respect of an application to participate in the Gibraltar scheme voluntarily made by—

(a) a branch of a UK firm by virtue of section 248(2); or

(b) a branch of a third country firm by virtue of section 249(3).”;

(c) for subsection (2) substitute—

“(2) The branch may apply in order to supplement the cover which its investors already enjoy by virtue of—

(a) in the case of a branch of a UK firm, the firm’s participation in the UK scheme; or

(b) in the case of a branch of a third country firm, the firm’s participation in the investor compensation scheme in that country.”;

(2A) A branch which participates in the Gibraltar scheme voluntarily must comply with the scheme in the same manner as any other participating firm.”; and

(d) in subsection (3), for “under this section” substitute “voluntarily”.

(13) Omit sections 259 and 260.

(14) For the cross-heading before section 261 substitute “*Default by Gibraltar firm*”.

(15) For section 261, substitute–

“Gibraltar firm or branch in default.

261.(1) This section applies where a participating firm which is a Gibraltar investment firm, in-scope Gibraltar AIFM or Gibraltar UCITS management company–

(a) is in default in Gibraltar or the United Kingdom; or

(b) has a branch in default in the United Kingdom.

(2) Where compensation is payable, it is to be paid by the Gibraltar scheme (in accordance with section 242).”.

(16) Omit sections 262 to 263.

(17) For section 264, substitute–

“UK firm with branch in default in Gibraltar.

264.(1) This section applies where a UK firm–

(a) has a branch in default in Gibraltar; and

(b) voluntarily participates in the Gibraltar scheme.

(2) Where compensation is payable–

(a) the UK scheme is liable for any compensation which is payable to investors at the branch in Gibraltar; and

(b) the amount payable by the Gibraltar scheme is limited to the excess (if any) of compensation that the Gibraltar scheme offers over the compensation which investors are entitled to receive under the UK scheme.”.

(18) In section 265–

(a) in the heading–

- (i) for “Non-EEA investment firm” substitute “Third country investment firm”; and
 - (ii) for “scheme in non-EEA state” substitute “third country scheme”;
- (b) in subsection (1)–
- (i) for “non-EEA investment firm” substitute “third country investment firm”; and
 - (ii) for paragraph (a) substitute–
“(a) participates or is required to participate in an investor compensation scheme in the third country; and”; and
- (c) for subsection (2) substitute–
“(2) The investor compensation scheme in that third country is liable for any compensation which is payable to investors at the branch in Gibraltar.”.
- (19) In section 266–
- (a) in the heading–
 - (i) for “Non-EEA investment firm” substitute “Third country investment firm”; and
 - (ii) for “scheme in non-EEA State” substitute “third country scheme”;
 - (b) in subsection (1)–
 - (i) for “non-EEA investment firm” substitute “third country investment firm”; and
 - (ii) for “in the non-EEA state” substitute “in the third country”.
- (20) In section 269(4)(a), for “government of any EEA State” substitute “UK government”;
- (21) In section 275(4), for “248, 249, 250, 251, 252 or 253” substitute “248 or 249”.
- (22) Omit section 277.
- (23) In section 278–
- (a) in the heading, for “non-EEA” substitute “third country”; and
 - (b) in subsection (1)–

- (i) in paragraph (a), for “non-EEA” substitute “third country”; and
- (ii) in paragraph (b), for “Investor Compensation Scheme Directive” substitute “Gibraltar scheme”.

(24) For section 279, substitute

“Co-operation with other authorities.

279. The GFSC and the Board may cooperate with the relevant bodies responsible for investor compensation schemes in other jurisdictions, in particular where, where a firm (or branch of a firm) whose head office or registered office is outside Gibraltar participates in the Gibraltar scheme.”.

Amendment of Part 17.

16.(1) In section 281, for “gives effect to the Recovery and Resolution Directive” substitute “provides for the recovery and resolution of credit institutions and investment firms”.

(2) In section 282(1)–

(a) omit the following definitions–

- (i) “EEA branch”;
- (ii) “EEA parent financial holding company”; and
- (iii) “EEA parent mixed financial holding company”; and

(b) in the definition of “third-country institution”, for “in a third country” substitute “in a country or territory other than Gibraltar”.

(3) In section 283–

(a) in subsection (1), for paragraphs (d) and (e) substitute—

“(d)parent financial holding companies and parent mixed financial holding companies that are established in Gibraltar; and

(e) Gibraltar branches of third-country institutions, which operate in Gibraltar in accordance with the conditions imposed by or under this Part.”.

(b) omit subsection (2).

(4) In section 284–

(a) in subsection (2), omit “under the Recovery and Resolution Directive and”;

- (b) in subsection (4), omit paragraph (f);
 - (c) in subsection (5)–
 - (i) in paragraph (a), for “the EEA States where the institution or group concerned operates” substitute “Gibraltar”; and
 - (ii) in paragraph (b), for “those EEA States” substitute “Gibraltar”; and
 - (d) omit subsection (6).
- (5) Omit section 287.

Amendment of Part 18.

17.(1) In section 288, in paragraph (b), for sub-paragraphs (ii) to (iv) substitute–

- “(ii) an authorised non-UCITS retail scheme under Chapter 4; or
- (iii) a recognised scheme under Chapter 5.”.

(2) In section 289–

- (a) omit the definition of “EEA UCITS scheme”; and
- (b) for the definitions of “recognised foreign scheme” and “recognised scheme” substitute–

““recognised scheme” mean a foreign collective investment scheme which is recognised under Chapter 5 by the GFSC;”.

(3) In section 291(4), for paragraphs (a) to (c) substitute–

- “(a) sections 105 to 126 of the Companies Act 2014 and other relevant provisions of that Act; or
- (b) provisions in force in a country or territory outside Gibraltar which the Minister has, by regulations, designated as corresponding provisions.”.

(4) In section 292–

- (a) in subsection (3)–
 - (i) in paragraph (b), for “within the EEA or any part of it” substitute “in or from Gibraltar”; and
 - (ii) in paragraph (d), for “regulation” substitute “section”; and

(b) omit subsection (9).

(5) For section 294, substitute–

“294. A collective investment scheme which is a UCITS scheme must not carry on any of its activities in or from Gibraltar unless it has been authorised in accordance with Chapter 3.”.

(6) In section 299–

(a) omit subsection (5); and

(b) for subsection (6) substitute–

“(6) The GFSC must not authorise a UCITS scheme where the GFSC has reason to believe that the open-ended investment company does not comply with such requirements applying to UCITS schemes as may be specified in regulations made under section 337.”.

(7) Omit section 300.

(8) In section 302(1), for paragraphs (b) to (d) substitute–

“(b) states that the scheme is authorised as a UCITS scheme; and

(c) if the scheme is authorised as a feeder fund or an umbrella fund, states that the scheme is so authorised.”.

(9) In section 304(4)(b) omit “or would be incompatible with European Union law”.

(10) Omit section 305(5).

(11) In section 309–

(a) in subsection (5)(c), omit “or in another EEA State”;

(b) in subsection (6)(a), omit “or in another EEA State”; and

(c) omit subsection (8).

(12) In section 313(4)(b), omit “or would be incompatible with European Union law”.

(13) For section 316, substitute–

“Recognised schemes.

316. A collective investment scheme managed in a jurisdiction outside Gibraltar may be recognised by the GFSC under this Chapter if the requirements of section 318 are met in relation to the scheme.”.

(14) Omit sections 322 to 324.

(15) In section 328(1)(g), omit “apart from EEA UCITS schemes recognised under Chapter 6”.

(16) In section 331(1), for paragraphs (f) to (h) substitute–

“(f) any private scheme which is promoted in accordance with, and as permitted by section 293(4)(b); or

(g) any other description of collective investment scheme operating in or from Gibraltar.”.

(17) In section 338–

(a) in the heading, omit “or 6”;

(b) in subsection (1), omit “or 6”;

(c) in subsection (2)–

(i) in paragraph (a), omit “or 6”; and

(ii) for paragraphs (c) to (e), substitute–

“(c) the notifications to be provided to the GFSC with respect to recognised schemes, including as to the amendment of the constituting instruments of a scheme and changes of the operator, manager, trustee or depositary of a recognised scheme; and

(d) in relation to recognised schemes, the maintenance in Gibraltar of deposits, property and facilities.”.

(18) For section 340(1), substitute–

“(1) The Minister may make regulations generally for giving effect to this Part and specifically in respect of anything required or permitted to be prescribed by this Act in respect of collective investment schemes.”.

Amendment of Part 19.

18.(1) In section 342–

(a) re-number subsection (1) as section 342; and

(b) omit subsection (2).

(2) In section 343(2), for “must incorporate any provision that is necessary to give effect in Gibraltar to the provisions of the Listing Directive relating to” substitute “may incorporate any provision that the Minister considers appropriate relating to the”.

(3) In section 344–

(a) in subsection (1), in the definition of “securities”, for “Article 4.1(44) of the MiFID 2 Directive other than money market instruments within the meaning of Article 4.1(17) of that Directive” substitute “paragraph 44 of Schedule 2 other than money market instruments within the meaning of that paragraph”; and

(b) in subsection (2), omit “EU”.

(4) For the cross-heading before section 345 substitute “*Prospectus Rules*”.

(5) In section 345–

(a) in the heading, for “Regulations” substitute “Rules”;

(b) in subsection (1), for “regulations (“Prospectus Regulations”)” substitute “rules (“Prospectus Rules”);

(c) for subsection (2) substitute–

“(2) Prospectus Rules may, in particular, incorporate provisions that supplement the Prospectus Regulation.”;

(b) in subsection (3)–

(i) in the opening words, for “Regulations” substitute “Rules”; and

(ii) in paragraph (i), for “of the EEA” substitute “Gibraltar”.

(6) Omit section 346.

(7) In section 346A–

(a) in subsection (1)–

(i) in the opening words–

(aa) for “by an issuer whose home State is” substitute “in or from”; and

(bb) omit “EU”; and

- (ii) in paragraph (a), omit “in the European Union”;
- (b) in subsection (2), omit “EU”; and
- (c) in subsection (3)–
 - (i) in the opening words, omit “made under section 345”; and
 - (ii) in paragraph (b), omit “EU” and “in the European Union”.
- (8) In section 346B(5), for “an EU Growth prospectus (within the meaning of Articles 7 and 15 of the EU Prospectus Regulations respectively), including any translation of such a summary,” substitute “a Gibraltar Growth prospectus (within the meaning of Articles 7 and 15 of the Prospectus Regulation respectively)”.
- (9) In section 346C–
 - (a) re-number subsection (1) as section 346C;
 - (b) in the re-numbered section, omit “only”; and
 - (c) omit subsection (2).
- (10) In section 346D(5), omit “EU”.
- (11) In section 346E–
 - (a) in subsection (1)(b)(ii), omit “EU”; and
 - (b) in subsection (4)(b), omit “EU”.
- (12) In section 347(1), omit “EU”.
- (13) In section 348–
 - (a) omit “(1)”; and
 - (b) in the seven places it occurs, omit “EU”.
- (14) In section 348A(1), omit “EU”.
- (15) In section 349–
 - (a) in subsection (2)(a), omit “EU”;
 - (b) in subsection (3)–
 - (i) in paragraph (a), omit “EU”; and

- (ii) in paragraph (c), omit “EU”; and
 - (c) in subsection (7), in the definition of “relevant proceedings” in both places it occurs, omit “EU”.
- (16) In section 350(1)–
 - (a) in paragraph (d), omit “EU”; and
 - (b) in the closing words, omit “EU”.
- (17) Omit section 351(10).
- (18) In section 351A(1)–
 - (a) in paragraph (a), omit “EU”; and
 - (b) in paragraph (b), omit “EU”.
- (19) Omit sections 352 to 354.
- (20) In section 355(1), for “situated or operating within the EEA” substitute “in Gibraltar”.
- (21) In section 356–
 - (a) re-number subsection (1) as section 356;
 - (b) in the re-numbered section–
 - (i) omit the definition of “host State”;
 - (ii) in the definition of “issuer”, in the three places it occurs, after “regulated market” insert “in Gibraltar”;
 - (iii) in the definition of “regulated information”, for “EUMAR” substitute “the Market Abuse Regulation”; and
 - (iv) in the definition of “securities”, for “Article 4.1(44) of the MiFID 2 Directive other than money market instruments within the meaning of Article 4.1(17) of that Directive” substitute “paragraph 44 of Schedule 2 other than money market instruments within the meaning of that paragraph”; and
 - (c) omit subsections (2) and (3).
- (22) Omit section 357.

(23) In section 358–

- (a) in subsection (1), for “Where Gibraltar is the home State of an issuer, the” substitute “The”; and
- (b) omit subsection (6).

(24) In section 359(3), in both places it occurs, for “EEA State” substitute “country or territory”.

(25) In section 362–

- (a) in subsection (1), for paragraphs (b) to (e) substitute–
 - “(b)the government of any country or territory;
 - (c) a local or regional authority of any country or territory;
 - (d) a public international body of which any state is a member;
 - (e) the European Central Bank or the central bank of any state;”;
- (b) in subsection (3)–
 - (i) in paragraph (a), omit “whose home State is Gibraltar and”; and
 - (ii) in paragraph (b), omit “whose home State is Gibraltar”.

(26) In section 363–

- (a) in subsection (1), omit “whose home State is Gibraltar”;
- (b) in subsection (3), for “outside of the EEA” substitute “in a country or territory outside Gibraltar”;
- (c) in subsection (6), for “by its home State under the MiFID 2 Directive” substitute “in accordance with the Financial Services (Investment Services) Regulations 2020”;
- (d) in subsection (7)–
 - (i) for “issuer’s home State competent authority” substitute “GFSC”; and
 - (ii) for “that competent authority” substitute “the GFSC”;
- (e) in subsection (8), for “issuer’s home State competent authority” substitute “GFSC”;

- (f) in subsection (9), for “relevant competent authority” substitute “GFSC”; and
 - (g) in subsection (11), for “EUMAR” substitute “the Market Abuse Regulation”.
- (27) Omit section 365.
- (28) In section 366–
- (a) in subsection (9), for “under the MiFID 2 Directive” substitute “in accordance with the Financial Services (Investment Services) Regulations 2020”;
 - (b) in subsection (12), for “Where Gibraltar is the home State of an issuer, the GFSC may exempt the” substitute “The GFSC may exempt an”; and
 - (c) in subsection (13), for “where Gibraltar is an issuer’s home State” substitute “to all issuers”.
- (29) In section 367(2)–
- (a) in the opening words, for “Gibraltar is the home State of an issuer whose” substitute “an issuer’s”; and
 - (b) in paragraph (a), in both places it occurs, omit “competent”.
- (30) In section 368–
- (a) in subsection (5)(b), for “issuer’s home State competent authority” substitute “GFSC”;
 - (b) for subsection (7)(b), substitute–
 - “(b)any calculation must be undertaken subject to any technical standards specifying–
 - (i) the method for calculating the number of voting rights in the case of financial instruments referenced to a basket of shares or an index; and
 - (ii) the methods for determining delta for the purposes of calculating voting rights relating to financial instruments which provide exclusively for a cash settlement.”; and
 - (c) in subsection (8)(h), for “the indicative list of financial instruments established by ESMA under Article 13.1b of the Transparency Directive” substitute “any indicative list of financial instruments set out in technical standards”.

(31) In section 370(1), for “Where Gibraltar is the home State of an issuer of shares admitted to trading on a regulated market who” substitute “Where an issuer of shares admitted to trading on a regulated market in Gibraltar”.

(32) In section 371, omit “whose home State is Gibraltar”.

(33) In section 373–

(a) in subsection (2), omit “where Gibraltar is the home State”;

(b) in subsection (4), omit “whose home State is Gibraltar”; and

(c) for subsection (5), substitute–

“(5) This section applies subject to any technical standards which–

(a) supplement subsections (1) to (4); or

(b) specify the types of financial institution through which shareholders may exercise their financial rights under subsection (3)(c).”.

(34) In section 374–

(a) in subsection (2)(a), omit “, where Gibraltar is the home State of the issuer”;

(b) in subsection (3), for “EEA State” substitute “reasonable location”;

(c) in subsection (5), omit “whose home State is Gibraltar”; and

(d) for subsection (6), substitute–

“(6) This section applies subject to any technical standards which–

(a) supplement subsections (1) to (5); or

(b) specify the types of financial institution through which debt security holders may exercise their financial rights under subsection (2)(c)(iii).”.

(35) In section 375–

(a) in subsection (1)–

(i) for paragraph (a), substitute–

“(a) an issuer whose securities are admitted to trading on a regulated market in Gibraltar;” and

(ii) in paragraph (b), at the end insert “in Gibraltar”;

(b) in subsection (3), for “EUMAR” substitute “the Market Abuse Regulation”; and

(c) for subsection (5), substitute–

“(5) This section applies subject to any technical standards which–

(a) supplement subsections (1) to (4); or

(b) specify procedures by which information required under this section may be provided to the GFSC by electronic means.”.

(36) For section 376, substitute–

“Languages.

376(1) Where securities are admitted to trading on a regulated market in Gibraltar, regulated information must be disclosed in English.

(2) Where securities are admitted to trading on a regulated market in Gibraltar and in another country or territory, regulated information must be disclosed–

(a) in English; and

(b) at the issuer’s choice, in a language which is either–

(i) accepted by the authorities of that country or territory; or

(ii) customary in the sphere of international finance.

(3) Where securities are admitted to trading on a regulated market without the issuer’s consent, the obligations under subsections (1) and (2) apply to the person who requested the admission to trading of those securities.

(4) Shareholders and persons referred to in sections 363, 364 and 368(1) may provide information to an issuer under this Chapter in a language customary in the sphere of international finance and, where an issuer receives information in that form, the GFSC cannot require the issuer to provide a translation.

(5) Where an action concerning the content of regulated information is brought before a court or tribunal, responsibility for the costs incurred in the translation of that information for the purposes of the proceedings is to be decided in accordance with the law applicable to that action.”.

(37) For section 377, substitute–

“Access to regulated information.

377.(1) The GFSC must ensure that there is at least one officially appointed mechanism for the central storage of regulated information, which is aligned with the procedure under section 375 and complies with the requirements set by the GFSC in relation to minimum quality standards of security, certainty as to the information source, time recording and easy access by end users.

(2) The GFSC must ensure that an issuer, or a person who has applied for admission to trading on a regulated market without the issuer's consent, discloses regulated information in a manner that ensures fast access to such information on a non-discriminatory basis and makes it available to the officially appointed mechanism referred to in subsection (1).

(3) For the purposes of subsection (2), the GFSC may require the issuer or person to use any media that may reasonably be relied on for the effective dissemination of information to the public in Gibraltar.

(4) The issuer, or the person who has applied for admission to trading on a regulated market without the issuer's consent, must not charge investors any specific cost for providing the information referred to in subsection (2).

(5) This section applies subject to any technical standards which specify—

- (a) minimum standards for the dissemination of regulated information or the mechanism for the central storage of that information; or
- (b) the media which may be used for the dissemination of information to the public.”.

(38) In section 378—

- (a) in subsection (1), omit “(1) and (2)”; and
- (b) for subsection (2) substitute—

“(2) Regulated information must be disseminated in a manner which ensures that it is capable of being disseminated to as wide a public as possible.”.

(39) In section 379—

- (a) in subsection (1), for “Gibraltar is the home State of an issuer but its registered office is outside the EEA” substitute “an issuer's registered office is in a third country”;
- (b) omit subsection (2);
- (c) in subsection (4), for “Where Gibraltar is the home State of the issuer, the GFSC must ensure that information disclosed in a third country which may be of importance for the public in the EEA” substitute “The GFSC must ensure that

information disclosed in a third country by an issuer which may be of importance for the public in Gibraltar”;

(d) in subsection (5)–

(i) for “under the UCITS Directive” substitute “in accordance with the Financial Services (UCITS) Regulations 2020”;

(ii) for “under the MiFID 2 Directive” substitute “in accordance with the Financial Services (Investment Services) Regulations 2020”; and

(iii) for “the EEA” substitute “Gibraltar”; and

(e) after subsection (6) insert–

“(7) In this section “third country” means a country or territory outside Gibraltar.”.

(40) In section 380(1)(f), omit “in the EEA”.

(41) Omit sections 383 and 384.

Amendment of Part 20.

19.(1) In section 385, for “transposes the Takeover Bids Directive” substitute “makes provision in respect of takeover bids”.

(2) In section 386–

(a) for subsection (1) substitute–

“(1) This Part applies to takeover bids for the securities of companies governed by the law of Gibraltar, where all or some of those securities are admitted to trading on a regulated market in Gibraltar.”; and

(b) omit subsection (4).

(3) In section 388–

(a) in subsection (1), omit “and the Takeover Bids Directive”;

(b) for subsection (2), substitute–

“(2) The GFSC is responsible for supervising bids where the offeree company has its registered office in Gibraltar and its securities are admitted to trading on a regulated market in Gibraltar.”;

(c) omit subsections (3) and (4); and

- (d) in subsection (5)(a), omit “or the Takeover Bids Directive”.
- (4) Omit section 389.
- (5) In section 391(4), for “Title IV of the Recovery and Resolution Directive” substitute “Part 4 of the Financial Services (Recovery and Resolution) Regulations 2020”.
- (6) In section 393–
- (a) in subsection (1), for “An offeror” substitute “Subject to section 400, an offeror”;
and
 - (b) omit subsection (4).
- (7) For section 396(2)(a), substitute–
- “(a) holders of the offeree company’s securities which are admitted to trading;
and”.
- (8) In section 398(1)(c), omit “, or in Gibraltar and another EEA State”.
- (9) In section 399–
- (a) in subsection (1), for “This section” substitute “Subject to section 400, this section”; and
 - (b) in subsection (8), in both places it occurs, omit “compatible with the European Communities Act”.
- (10) In section 400–
- (a) in subsection (1), for “to (4)” substitute “to (3)”;
 - (b) in subsection (2), for “to (4)” substitute “to (3)”;
 - (c) in subsection (3), for paragraph (b) substitute–

“(b) must be communicated by the company without delay to the GFSC.”;
 - (d) in subsection (4)–
 - (i) in the opening words, for “to (4)” substitute “to (3)”;
 - (ii) for paragraph (a) substitute–

“(a) which does not apply section 393(1) to (3) or 399.”;
 - (iii) in paragraph (b), omit “(i) or (ii)”;

- (iv) in paragraph (c)–
 - (aa) in the opening words, for “a territory outside the EEA” substitute “a country or territory outside Gibraltar”; and
 - (bb) in sub-paragraph (i), omit “(i) or (ii)”; and
- (v) in paragraph (d), for “a territory outside the EEA” substitute “a country or territory outside Gibraltar”.

Amendment of Part 21.

20.(1) In section 405, for “EUMAR” substitute “the Market Abuse Regulation”.

(2) In section 406–

- (a) in subsection (1), in the definition of “inside information”, for “same meaning as in Article 7 of EUMAR” substitute “meaning given in Article 7 of the Market Abuse Regulation”;
- (b) in subsection (2), for “EUMAR” substitute “the Market Abuse Regulation”; and
- (c) in subsection (3), in both places it occurs, for “EUMAR” substitute “the Market Abuse Regulation”.

(3) In section 407(2)–

- (a) omit “on an auction platform authorised as a regulated market”; and
- (b) omit “under Regulation (EU) No 1031/2010”.

(4) In section 408–

- (a) re-number section 408 as subsection (1);
- (b) in the re-numbered subsection (1)–
 - (i) in paragraph (a), for “EUMAR” substitute “the Market Abuse Regulation”;
 - (ii) in paragraph (b), for “EUMAR” substitute “the Market Abuse Regulation”; and
 - (iii) for paragraph (c), substitute–

“(c) activities carried out in pursuit of monetary, exchange rate or public debt management policy in accordance with Article 6.1 or 6.2 of the Market Abuse Regulation.”; and

(c) after subsection (1) insert—

“(2) The Minister may by regulations extend the exception in subsection (1) to activities carried out in pursuit of—

(a) the European Union’s climate policy referred to in Article 6.3 of the Market Abuse Regulation; or

(b) the European Union’s Common Agricultural Policy or Common Fisheries Policy referred to in Article 6.4 of that Regulation.”.

(5) In section 410—

(a) in subsection (2)(a)(iii), omit “to which Regulation (EU) No 1031/2010 applies”; and

(b) in subsection (4), for “EUMAR” substitute “the Market Abuse Regulation”.

(6) In section 411(3), for “EUMAR” substitute “the Market Abuse Regulation”.

(7) In section 413(1), in the four places it occurs, for “EUMAR” substitute “the Market Abuse Regulation”.

(8) In section 414—

(a) in subsection (1)(b)(ii), for “EUMAR” substitute “the Market Abuse Regulation”; and

(b) in subsection (4)(b)(ii), for “EUMAR” substitute “the Market Abuse Regulation”.

(9) For section 419 and the cross-heading before it, substitute—

“The Market Abuse Regulation

Market Abuse Regulation.

419.(1) The Market Abuse Regulation has effect subject to Schedule 26.

(2) Schedule 27 makes further provision in respect of the reporting of contraventions of the Market Abuse Regulation and related matters.”.

Amendment of Part 22.

21.(1) In section 420(a), for sub-paragraph (ii) substitute–

“(ii) exercising the regulatory powers conferred on it by or under this Act; and”.

(2) In section 421–

(a) in the definition of “derivative”, for “Section C(4) to (10) of Annex 1 to the MiFID 2 Directive” substitute “paragraph 46(4) to (10) of Schedule 2”;

(b) in the definition of “institution”–

(i) for paragraph (c) substitute–

“(c) a credit institution when carrying on investment services and activities.”;
and

(ii) omit the closing words;

(c) in the definition of “market abuse”, for “EUMAR” substitute “the Market Abuse Regulation”;

(d) in the definition of “non-disclosure of inside information”, for “EUMAR” substitute “the Market Abuse Regulation”;

(e) in the definition of “regulated information”, for “Article 2.1(k) of the Transparency Directive” substitute “section 356(1)”;

(f) for the definition of “regulatory information service” substitute–

““regulatory information service” means a service for the dissemination of regulated information which is approved by the GFSC under section 377”; and

(g) in the definition of “trading venue operator”, for paragraph (c) substitute–

“(c) a credit institution when carrying on investment services and activities.”;

(3) For section 429(3), substitute–

“(3) The GFSC must as soon as reasonably possible publish its decision in the manner it considers appropriate unless the decision has already been published under section 423(2)(b) or 428(5).”.

(4) For section 430(6), substitute–

“(6) This section applies subject to any technical standards that further specify the cases in which the connection between–

(a) a financial instrument suspended or removed from trading; and

(b) a derivative relating or referenced to the financial instrument,

implies that the derivative is also to be suspended or removed from trading in order to achieve the objective of the suspension or removal of the underlying financial instrument.”.

(5) For section 431(4), substitute—

“(4) The GFSC must publish its decision in the manner it considers appropriate.”.

(6) Omit section 432.

Amendment of Part 23.

22.(1) In section 433—

(a) in the definition of “necessary margin of solvency”, for “which it is the responsibility of the relevant authority to apply” substitute “of Gibraltar or other applicable law”;

(b) omit the definition of “relevant authority”;

(c) in the definition of “State of the commitment”—

(i) in paragraph (a), for “State” substitute “country or territory”; and

(ii) in paragraph (b), for “State” substitute “country or territory”;

(d) omit the definition of “supervisory authority”; and

(2) In section 434—

(a) in the heading, for “territory” substitute “place”;

(b) re-number subsection (1) as section 434;

(c) in the re-numbered section—

(i) in the opening words, for “territory where the risk is situated (whether Gibraltar or an EEA State)” substitute “place where the risk is situated (whether Gibraltar or another country or territory)”;

(ii) in paragraph (a), for “EEA State” substitute “country or territory”;

- (iii) in paragraph (b), for “territory of registration (whether Gibraltar or an EEA State)” substitute “place of registration (whether Gibraltar or another country or territory)”;
 - (iv) in paragraph (c), for “EEA State” substitute “country or territory”; and
 - (v) in paragraph (d), in both places it occurs, for “EEA State” substitute “country or territory”; and
- (d) omit subsection (2).
- (3) In section 435–
- (a) in subsection (2)(b), for “from an establishment of the transferee in Gibraltar or an EEA State” substitute “by the transferee in Gibraltar”;
 - (b) for subsection (3) substitute–
- “(3) The conditions are that–
- (a) the whole or part of the business carried on in Gibraltar by a regulated firm who has permission to effect or carry out contracts of insurance is to be transferred to the transferee; or
 - (b) the whole or part of the business carried on in Gibraltar by a person who is not a regulated firm but who has permission to effect or carry out contracts of insurance is to be transferred to the transferee.”; and
- (c) omit subsection (5).
- (4) For section 438(2), substitute–
- “(2) Where any policy included in the proposed transfer evidences a contract of direct insurance or reinsurance in respect of a risk which is situated in a country or territory outside Gibraltar, then if the GFSC considers it appropriate, the notice must be published in two newspapers circulating in that country or territory.”.
- (5) For section 439(2), substitute–
- “(2) In addition, where any policy included in the proposed transfer evidences a contract of direct insurance or reinsurance in respect of a risk which is situated in a country or territory outside Gibraltar, the statement must be made available for inspection at one or more places in that country or territory.”.
- (6) For section 441, substitute–

“Grant of approval.

- (1) The GFSC must not approve the transfer unless it is satisfied that—
- (a) the transferee is, or immediately after approval will be—
 - (i) an authorised person with permission to carry on general business of the type to be transferred by the instrument; or
 - (ii) Swiss general insurer authorised to carry on business of that type;
 - (b) every policy included in the transfer evidences a contract which was entered into before the effective date of transfer; and
 - (c) the transferee possesses the necessary margin of solvency after taking the proposed transfer into account.
- (2) The GFSC must not approve the transfer unless it considers that the circumstances of the case justify the giving of the approval.”.
- (7) Omit section 442.
- (8) In section 444—
- (a) in subsection (1), for “Subject to sections 445(5), where” substitute “Where”;
 - (b) in subsection (2), after “law” insert “and, subject to subsection (3), irrespective of whether the law applicable to any of the contracts of direct insurance or reinsurance included in the transfer is that of a country or territory outside Gibraltar”; and
 - (c) for subsection (3) substitute—

“(3) Where any policy included in the transfer evidences a contract of direct insurance or reinsurance to which the law of a country or territory outside Gibraltar applies, nothing in this section affects the rights of a policy holder under that law.”.
- (9) For section 445, substitute—
- “Notice of transfer.**
- 445.(1) This section applies if—
- (a) the GFSC has approved the application; and
 - (b) as regards any policy included in the transfer which evidences—
 - (i) a contract of insurance (other than a contract of reinsurance), the risk is situated in a country or territory outside Gibraltar; or

(ii) a contract of reinsurance, the policyholder's establishment is situated in a country or territory outside Gibraltar and was so situated at the date when the contract was entered into.

(2) The GFSC may direct that notice of its decision, and of the execution of any instrument giving effect to the transfer, is to be published in the country or territory concerned.”.

(10) Omit section 446.

(11) In section 448–

(a) for subsection (1) substitute–

“(1) This Chapter makes provision where it is proposed to carry out a scheme under which long term business is transferred from an authorised person who is an insurance undertaking or reinsurance undertaking (“the transferor”) to another person (“the transferee”).”;

(b) in subsection (2)(b), for “from an establishment of the transferee in Gibraltar or an EEA State” substitute “by the transferee in Gibraltar”;

(c) for subsection (3) substitute–

“(3) The conditions are that–

(a) the whole or part of the business carried on in Gibraltar by a regulated firm who has permission to effect or carry out contracts of insurance is to be transferred to the transferee; or

(b) the whole or part of the business carried on in Gibraltar by a person who is not a regulated firm but who has permission to effect or carry out contracts of insurance is to be transferred to the transferee.”; and

(d) omit subsection (6).

(12) In section 451(1), for paragraphs (b) to (d) substitute–

“(b) in two newspapers circulating in Gibraltar; and

(c) in a newspaper circulating in any country or territory outside Gibraltar; which–

(i) as regards any policy (other than a policy which evidences a contract of reinsurance) included in the proposed transfer, is the State of the commitment; or

(ii) as regards any policy included in the proposed transfer which evidences a contract of reinsurance, is where the policy holder's establishment to which the policy relates is situated and was so situated when the contract was entered into.”;

(13) For section 455(2), substitute—

“(2) The court must be satisfied that the GFSC has confirmed the transferee—

- (a) is an authorised person with permission to carry on the business, or part which is to be transferred or will be before the transfer takes effect; and
- (b) taking the proposed transfer into account, the transferee possesses the necessary margin of solvency or will possess it before the transfer takes effect.”.

(14) Omit sections 456 to 459.

(15) For section 460(11), substitute—

“(11) For the purposes of subsections (1)(a), (c) and (d) and subsection (2), (3), (6) and (7), it is immaterial that the law applicable to any of the contracts of insurance included in the transfer is the law of a country or territory outside Gibraltar.”.

(16) For section 463, substitute—

“Notice of transfer.

463.(1) This section applies if—

- (a) the court has sanctioned the transfer; and
- (b) as regards any policy included in the transfer which evidences—
 - (i) a contract of insurance (other than a contract of reinsurance), the risk is situated in a country or territory outside Gibraltar; or
 - (ii) a contract of reinsurance, the policyholder's establishment is situated in a country or territory outside Gibraltar and was so situated at the date when the contract was entered into.

(2) The court may direct that notice of the making of the order, or the execution of any instrument, giving effect to the transfer must be published by the transferee in the country or territory concerned.”.

(17) Omit section 464.

(18) Omit Chapters 4 and 5.

Amendment of Part 24.

23.(1) In section 473–

- (a) omit the definition of “CEAOB”
- (b) in the definition of “competent authority”, in paragraph (b)–
 - (i) for “EEA State” substitute “country or territory”;
 - (ii) for “that State” substitute “that country or territory”; and
 - (ii) for “section or a specific Article of the Audit Directive” substitute “provision of this Part”;
- (c) omit the definitions of “home State” and “host State”;
- (d) for the definition of “medium-sized undertakings”, substitute–

““medium-sized undertaking” means an undertaking which is, or if it were a company would be, a medium-sized company within the meaning of Schedule 9 to the Companies Act 2014”;
- (e) omit the definitions of “non-EEA audit entity” and “non-EEA auditor”;
- (f) for the definition of “public interest entity” substitute–

““public interest entity” means—

- (a) an entity whose transferable securities are admitted to trading on a regulated market in Gibraltar;
- (b) a credit institution within the meaning of Article 4.1(1) of the Capital Requirements Regulation, other than an exempt person listed in regulation 5 of the Financial Services (Credit Institutions and Capital Requirements) Regulations 2020;
- (c) a person who would be an insurance undertaking within the meaning of Article 2.1 of the Insurance Accounts Directive, as that Article applied immediately before IP completion day, if Gibraltar were a Member State;
or
- (d) an entity designated as a public-interest entity by the Minister;”;

(g) for the definition of “small undertakings”, substitute–

““small undertaking” means an undertaking which is, or if it were a company would be, a small company within the meaning of Schedule 9 to the Companies Act 2014;”;

(h) for the definition of “statutory audit” substitute–

““statutory audit” means an audit of annual financial statements or consolidated financial required by law;”;

(i) after the definition of “statutory auditor”, insert–

““third country audit entity” means an entity, other than an audit firm, which carries out audits of the annual or consolidated financial statements of a company incorporated in a country or territory outside Gibraltar;”

“third country auditor” means an individual, other than a statutory auditor, who carries out audits of the annual or consolidated financial statements of a company incorporated in a country or territory outside Gibraltar.”.

(2) In section 474–

(a) in subsection (3), for paragraphs (a) to (c) substitute–

(a) the individuals responsible for carrying out statutory audits on behalf of the entity–

(i) are approved as statutory auditors; and

(ii) satisfy the conditions imposed by sections 476 and 479 to 485;

(b) a majority of the voting rights in the entity are held by individuals who satisfy the conditions in those sections;

(c) a majority (up to a maximum of 75%) of the members of the administrative or management body of the entity are individuals who satisfy the conditions imposed by those sections; and”;

(b) omit subsection (5).

(3) Omit section 475.

(4) Omit section 477(4).

(5) Omit section 478.

- (6) In section 479–
- (a) re-number subsection (1) as section 479; and
 - (b) omit subsections (2) and (3).
- (7) In section 481, for “section 479(1)” substitute “section 479”.
- (8) In section 483(1)(b), omit “approved in an EEA State”.
- (9) In section 484–
- (a) in paragraph (a), for “in Gibraltar or another EEA State” substitute “examination approved by the GFSC”; and
 - (b) in paragraph (b), for “in Gibraltar or another EEA State” substitute “examination approved by the GFSC”.
- (10) Omit section 487(3).
- (11) In section 488–
- (a) in the heading, for “non-EEA auditors and statutory auditors” substitute “statutory auditors and third country auditors”;
 - (b) in subsection (1), for paragraph (c) substitute–
 - “(c) any other registration as an auditor in another country or territory, including the name of the registration authority and any registration number.”; and
 - (c) in subsection (2), for “non-EEA” substitute “third country”.
- (12) In section 489–
- (a) in the heading, after “firms” insert “and third country audit entities”;
 - (b) in subsection (1)–
 - (i) for paragraph (h) substitute–
 - “(h) any other registration as an audit entity in another country or territory, including the name of the registration authority and any registration number.”; and
 - (ii) omit paragraph (i); and
 - (c) in subsection (2), for “non-EEA” substitute “third country”.

(13) In section 492–

- (a) re-number subsection (1) as section 492; and
- (b) omit subsections (2) and (3).

(14) In section 494(6), for “Article 1.2 of Commission Directive 2004/72/EC” substitute “Article 3.1(26) of the Market Abuse Regulation”.

(15) In section 496(d), omit “in the EEA State requiring the statutory audit”.

(16) In section 498–

- (a) in subsection (5), in both places it occurs, for “in a non-EEA State” substitute “outside Gibraltar”;
- (b) in subsection (6)–
 - (i) in both places it occurs, for “in a non-EEA State” substitute “outside Gibraltar”; and
 - (ii) for “relevant non-EEA State” substitute “relevant jurisdiction”; and
- (c) in subsection (7), for “in a non-EEA State” substitute “outside Gibraltar”.

(17) In section 503(1), omit “adopted by the European Commission in accordance with Article 26.3 of the Audit Directive”.

(18) In section 504–

- (a) in subsection (2), for “relevant competent authority” substitute “GFSC”;
- (b) in subsection (4)(b), for “relevant competent authority” substitute “GFSC”;
- (c) omit subsection (6);
- (d) in subsection (7)–
 - (i) for “non-EEA auditor” substitute “third country auditor”;
 - (ii) for “non-EEA audit entity” substitute “third country audit entity”; and
 - (iii) for “competent authority in the relevant non-EEA State” substitute “relevant competent authority”;

- (e) in subsection (8)–
 - (i) in both places it occurs, for “non-EEA auditor” substitute “third country auditor”; and
 - (ii) in both places it occurs, for “non-EEA audit entity” substitute “third country audit entity”; and
 - (f) in subsection (10), in both places it occurs, for “non-EEA State” substitute “third country”.
- (19) In section 505–
- (a) in subsection (1), omit “or Article 26 of the Audit Directive”; and
 - (b) in subsection (2)(e), for “the second subparagraph of Article 34.1 of the Accounting Directive” substitute “Section 258(2) and (2A) of the Companies Act 2014”.
- (20) In section 506–
- (a) in subsection (1)(h), omit “, in the case of statutory auditors and audit firms carrying out statutory audits required by European Union law,”;
 - (b) in subsection (4), for “Article 26 of the Audit Directive” substitute “section 503”.
- (21) Omit section 512.
- (22) In section 520–
- (a) in subsection (1)(b)–
 - (i) for “non-EEA auditor” substitute “third country auditor”; and
 - (ii) for “non-EEA audit entity” substitute “third country audit entity”; and
 - (b) in subsection (3), omit “in accordance with section 477(4)”.
- (23) In section 522(1)(b)–
- (a) for “non-EEA auditor” substitute “third country auditor”; and
 - (b) for “non-EEA audit entity” substitute “third country audit entity”.
- (24) Omit section 524.
- (25) Omit sections 526 to 528.

(26) In section 531–

- (a) in subsection (3), omit “EU”;
- (b) in subsection (6)–
 - (i) in paragraph (a), omit “within the meaning of the Accounting Directive”;
 - (ii) in paragraph (c), omit “as defined in Article 2.5 of Commission Regulation (EC) No 809/2004”;
 - (iii) in paragraph (d)(i), for “an EEA State” substitute “Gibraltar”; and
 - (iv) in paragraph (e), for “of the EEA State in” substitute “under”; and

(c) after subsection (6) insert–

“(6A) In subsection (6)(c), “asset-backed securities” means non-equity securities which either–

- (a) represent an interest in assets, including any rights intended to ensure the servicing of those assets, the receipt or the timely receipt by holders of those assets of the amounts payable under those assets; or
- (b) are secured by assets and the terms of the securities provide for payments calculated by reference to those assets;”.

(27) for section 532, substitute–

“Approval of auditors from third countries as statutory auditors.

532.(1) Subject to reciprocity, the GFSC may approve an auditor from a third country as a statutory auditor if that person has provided proof that he or she complies with requirements equivalent to those in sections 476, 479 to 485 and 486.

(2) For the purpose of subsection (1), the Minister may issue equivalence criteria which the GFSC must take into account in making any decision under that subsection.”.

(28) In section 533–

- (a) in the heading, for “non-EEA” substitute “third country”;
- (b) in subsection (1)–
 - (i) for “non-EEA” substitute “third country”; and

- (ii) for “the EEA” substitute “Gibraltar”;
- (c) in subsection (2), for “an EEA State” substitute “Gibraltar”;
- (d) in subsection (4), for “non-EEA” substitute “third country”;
- (e) in subsection (5)–
 - (i) in the opening words, for “non-EEA” substitute “third country”;
 - (ii) in paragraph (a), for “another EEA State or non-EEA State” substitute “the third country”; and
 - (iii) in paragraph (b), for “non-EEA” substitute “third country”;
- (f) in subsection (6), for “non-EEA” substitute “third country”;
- (g) in subsection (7)–
 - (i) in the opening words, for “non-EEA” substitute “third country”; and
 - (ii) in paragraph (b), in both places it occurs, for “non-EEA” substitute “third country”;
- (h) in subsection (8), for “non-EEA” substitute “third country”; and
- (i) for subsection (9) substitute–

“(9) For the purpose of subsection (7)(c), the Minister may issue equivalence criteria which the GFSC must take into account in making any equivalence assessment under that subsection.”.
- (29) In section 534–
 - (a) in subsection (1), for “non-EEA” substitute “third country”;
 - (b) for subsection (2) substitute–

“(2) For the purpose of subsection (1), the Minister may issue equivalence criteria which the GFSC must take into account in making any equivalence assessment under that subsection.”; and
 - (c) omit subsection (3).
- (30) In section 535–
 - (a) in the heading, for “from non-EEA State” substitute “outside Gibraltar”;

- (b) in subsection (1)–
 - (i) in the opening words, for “non-EEA State” substitute “country or territory outside Gibraltar”;
 - (ii) in paragraph (a)–
 - (aa) for “non-EEA State” substitute “country or territory”;
 - (bb) for “that State” substitute “that jurisdiction”;
 - (iii) in paragraph (c), after “adequate” insert “by the GFSC”; and
 - (iv) in paragraph (e), for “the non-EEA State” substitute “that country or territory”;
- (c) in subsection (2)(e)(i), omit “or the EEA”;
- (d) for subsection (3) substitute–

“(3) The Minister may issue criteria for assessing the adequacy of third country competent authorities, in relation to their ability to co-operate with the GFSC on the exchange of audit working papers and investigation reports, which the GFSC must take into account in making any decision under subsection (1)(c).”;
- (e) in subsection (4)–
 - (i) in the opening words, omit “approved by it”;
 - (ii) in paragraph (a), for “non-EEA State” substitute “country or territory”; and
 - (iii) in paragraph (c), for “non-EEA State’s” substitute “jurisdiction’s”; and
- (f) omit subsection (5).

(31) Omit section 536 and the cross-heading preceding that section.

Amendment of Part 26.

24.(1) In section 556–

- (a) omit the following definitions–
 - (i) “competent authority”;
 - (ii) “cross-border activity”;

- (iii) “home State”;
 - (iv) “host State”; and
 - (b) in the definition of “institution for occupational retirement provision”, in paragraph (b), omit “in compliance with the law of the home and host States”.
- (2) In section 560–
- (a) re-number subsection (1) as section 560; and
 - (b) omit subsections (2) and (3).
- (3) In section 565(3), for “financial systems in the EEA” substitute “financial system in Gibraltar”.
- (4) In section 568–
- (a) in subsection (1), omit “and the IORP 2 Directive”; and
 - (b) in subsection (2)(a), omit “, and information about how Articles 4 and 5 of the IORP 2 Directive have been applied in Gibraltar”.
- (5) In section 570–
- (a) in subsection (1), omit paragraph (e) and the “or” which precedes it; and
 - (b) omit subsection (6).
- (6) Omit section 580.
- (7) In section 581(1)(a), for “other competent authorities (whether in Gibraltar or an EEA State) in the discharge of their supervisory functions” substitute “authorities in countries or territories outside Gibraltar in connection with the discharge of their supervisory or related functions”.
- (8) In section 582, for paragraphs (a) to (c) substitute–
- “(a) central banks and other bodies with a similar function in their capacity as monetary authorities; or
 - (b) other public authorities responsible for overseeing payment systems.”.
- (9) In section 583, for paragraphs (a) to (c) substitute–
- “(a) the information must be exchanged, transmitted or disclosed for the purpose of carrying out oversight or supervision; and

(b) the information received must be subject to the obligation of professional secrecy set out in section 578.”.

(10) Omit section 584.

(11) Omit sections 586 and 587.

(12) In section 588(b), omit “, 586 or 587”.

(13) Omit section 589.

Amendment of Part 29.

25.(1) In section 624(1), for “a provision of EU law” substitute “any other enactment”.

(2) In section 626(2)(b), for “exit day” substitute “IP completion day”.

(3) After section 626, insert–

“Technical standards regulations.

626A.(1) This section applies where, by regulations made under section 11 of the European Union (Withdrawal) Act 2019, a requirement to the effect that a provision is to be applied subject to technical standards is substituted for a requirement to the effect that it is to be applied subject to EU tertiary legislation (the “original EU legislation”).

(2) In this Act, “technical standards” means technical standards set out in regulations made by the Minister under this section.

(3) The Minister’s power to make technical standards–

(a) may only be exercised by making regulations under this section; and

(b) includes power to modify, amend or revoke–

(i) any technical standards made by the Minister under that power;
or

(ii) any original EU legislation that the technical standards replace which forms part of retained EU law.

(4) In this section “EU tertiary legislation” have the same meaning as in section 3(1) of the European Union (Withdrawal) Act 2019.”.

Amendment of Schedule 1.

26.(1) In Part 1, omit the following entries–

- (a) “home State”;
- (b) “host State”;
- (c) “non-EEA audit entity”; and
- (d) “non-EEA auditor”.

(2) For Part 2 substitute–

**“Part 2
References to EU Regulations**

2. Subject to any provision to the contrary or where the context otherwise requires, a reference in this Act to an EU Regulation defined in paragraph 3 is a reference to that Regulation as it forms part of the law of Gibraltar by virtue of section 6 of the European Union (Withdrawal) Act 2019.

3. In this Act–

“the Audit Regulation” means Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC;

“the Benchmarks Regulation” means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds;

“the Capital Requirements Regulation” means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012;

“the CSD Regulation” means Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012;

“the ELTIF Regulation” means Regulation (EU) No 760/2015 of the European Parliament and of the Council of 29 April 2015 on European long-term investment funds;

- “EMIR” means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories;
- “the EUSEF Regulation” means Regulation (EU) No 346/2013 of the European Parliament and of the Council of 17 April 2013 on European social entrepreneurship funds;
- “the EuVECA Regulation” means Regulation (EU) 345/2013 of the European Parliament and of the Council of 17 April 2013 on European venture capital funds;
- “the IAS Regulation” means Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards;
- “the Interchange Fees Regulation” means Regulation (EU) 2015/751 of the European Parliament and of the Council of 29 April 2015 on interchange fees for card-based payment transactions;
- “the Market Abuse Regulation” means Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC;
- “MiFIR” means Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012;
- “the ODR Regulation” means Regulation (EU) No 524/2013 of the European Parliament and of the Council of 21 May 2013 on online dispute resolution for consumer disputes and amending Regulation (EC) No 2006/2004 and Directive 2009/22/EC;
- “the PRIIP Regulation” means Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs)
- “the Prospectus Regulation” means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC;
- “Regulation (EU) No 231/2013” means Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the

European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision;

“Regulation (EU) No 1031/2010” means Commission Regulation (EU) No 1031/2010 of 12 November 2010 on the timing, administration and other aspects of auctioning of greenhouse gas emission allowances pursuant to Directive 2003/87/EC of the European Parliament and of the Council establishing a scheme for greenhouse gas emission allowances trading within the Community;

“the REMIT Regulation” means Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency; and

“the SFTR Regulation” means Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on the transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012.

Part 3

References to EU Directives

4. Subject to any provision to the contrary or where the context otherwise requires, a reference in this Act to an EU Directive defined in paragraph 5 is a reference to that Directive as it applied immediately before IP completion day.

5. In this Act—

“the Accounting Directive” means Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC;

“the ADR Directive” means Directive 2013/11/EU of the European Parliament and of the Council of 21 May 2013 on alternative dispute resolution for consumer disputes and amending Regulation (EC) No 2006/2004 and Directive 2009/22/EC;

“the AIFM Directive” means Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers;

“the Audit Directive” means Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC;

- “the Bank Accounts Directive” means Council Directive 86/635/EEC of 8 December 1986 on the annual accounts and consolidated accounts of banks and other financial institutions;
- “the Capital Requirements Directive” means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending directive 2002/87/EC and repealing directives 2006/48/EC and 2006/49/EC;
- “the Consumer Credit Directive” means Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers;
- “the DGS Directive” means Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes;
- “Directive 2007/14/EC” means Commission Directive 2007/14/EC of 8 March 2007 laying down detailed rules for the implementation of certain provisions of Directive 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market;
- “Directive (EU) 2015/1535” means Directive (EU) 2015/1535 of the European Parliament and of the Council of 9 September 2015 laying down a procedure for the provision of information in the field of technical regulations and of rules on Information Society services (codification);
- “Directive (EU) 2015/2392” means Commission Implementing Directive (EU) 2015/2392 of 17 December 2015 on Regulation (EU) No 596/2014 of the European Parliament and of the Council as regards reporting to competent authorities of actual or potential infringements of that Regulation;
- “the Distance Marketing Directive” means Directive 2002/65/EC of the European Parliament and of the Council of 23 September 2002 concerning the distance marketing of consumer financial services;
- “the Electronic Commerce Directive” means Directive 2000/31/EC of the European Parliament and the Council of the 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market (Directive on electronic commerce);
- “the E-Money Directive” means Directive 2009/110/EC of the European Parliament and of the Council of 16 September 2009 on the taking up, pursuit and prudential supervision of the business of electronic money institutions amending Directives 2005/60/EC and 2006/48/EC and repealing Directive 2000/46/EC;

- “the Financial Conglomerates Directive” means Directive 2002/87/EC of the European Parliament and of the Council of 16 December 2002 on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate and amending Council Directives 73/239/EEC, 79/267/EEC, 92/49/EEC, 92/96/EEC, 93/6/EEC and 93/22/EEC, and Directives 98/78/EC and 2000/12/EC of the European Parliament and of the Council;
- “the Insurance Accounts Directive” means Council Directive 91/674/EEC of 19 December 1991 on the annual accounts and consolidated accounts of insurance undertakings;
- “the Insurance Distribution Directive” means Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution;
- “the Investor Compensation Scheme Directive” means Directive 97/9/EC of the European Parliament and of the Council of 3 March 1997 on investor compensation schemes;
- “the IORP 2 Directive” means Directive (EU) 2016/2341 of the European Parliament and of the Council of 14 December 2016 on the activities and supervision of institutions for occupational retirement provision (IORPs);
- “the Listing Directive” means Directive 2001/34/EC of the European Parliament and the Council of 28 May 2001 on the admission of securities to official stock exchange listing and on information to be published on those securities;
- “the MiFID 2 Directive” means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU;
- “the Money Laundering Directive” means Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC;
- “the Mortgage Credit Directive” means Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010;
- “the Occupational Pensions Scheme Directive” means Directive 2003/41/EC of the European Parliament and the Council on the activities and supervision of institutions for occupational retirement provision;

- “the Payment Accounts Directive” means Directive 2014/92/EU of the European Parliament and of the Council of 23 July 2014 on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features;
- “the Payment Services Directive” means Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC;
- “the Professional Qualifications Directive” means Directive 2005/36/EC of the European Parliament and of the Council of 7 September 2005 on the recognition of professional qualifications;
- “the Recovery and Resolution Directive” means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council;
- “the Solvency 2 Directive” means Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II);
- “the Takeover Bids Directive” means Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids;
- “the Transparency Directive” means Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC; and
- “the UCITS Directive” means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities.”.

Amendment of Schedule 2.

27. In Schedule 2–

(a) in the index, omit the entries in respect of–

(i) paragraph 26;

- (ii) paragraph 42;
- (iii) paragraph 63;
- (iv) paragraph 68;
- (b) in paragraph 1–
 - (i) re-number paragraph 1 as sub-paragraph (1);
 - (ii) in sub-paragraph (1), after the definition of “multilateral system” insert–

““multilateral trading facility” or “MTF” means a multilateral system, operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments (in the system and in accordance with non-discretionary rules) in a way that results in a contract and–

- (a) in Gibraltar, complies with provisions contained in or made under the Financial Services Act 2019 (a “Gibraltar MTF”);
- (b) in the United Kingdom, complies with the requirements of Article 2.1(14A)(b) of Regulation (EU) No 600/2014 as it applies in the United Kingdom after IP completion day (a “UK MTF”); or
- (c) in an EU State, complies with Title III of Directive 2014/65/EU (an “EU MTF”);

“organised trading facility” or “OTF” means a multilateral system which is not a regulated market or an MTF and in which multiple third-party buying and selling interests in bonds, structured finance products, emission allowances or derivatives are able to interact in the system in a way that that results in a contract and–

- (a) in Gibraltar, complies with provisions contained in or made under the Financial Services Act 2019 (a “Gibraltar OTF”);
- (b) in the United Kingdom, complies with the requirements of Article 2.1(15A)(b) of Regulation (EU) No 600/2014 as it applies in the United Kingdom after IP completion day (a “UK OTF”); or
- (c) in an EU State, complies with the requirements of Title III of Directive 2014/65/EU (an “EU OTF”);”;
- (iii) in sub-paragraph (1), in the definition of “regulated market”, for the words from “is authorised” to “MiFID 2 Directive” substitute–

- “(a) in Gibraltar, is authorised and functions regularly in accordance with provisions contained in or made under this Act (a “Gibraltar regulated market”);
- (b) in the United Kingdom, is a UK regulated market within the meaning of Article 2.1(13A) of Regulation (EU) No 600/2014 as it applies in the United Kingdom after IP completion day (a “UK regulated market”); and
- (c) in an EU State, is authorised and functions regularly in accordance with Title III of Directive 2014/65/EU (an “EU regulated market”);”
- (iv) in sub-paragraph (1), in the definition of “trading venue”, after “and” insert–

“(a) “Gibraltar trading venue” means a Gibraltar regulated market, Gibraltar MTF or Gibraltar OTF;

(b) “UK trading venue” means a UK regulated market, UK MTF or UK OTF; and

(c) “EU trading venue” means an EU regulated market, EU MTF or EU OTF;” and

(v) after sub-paragraph (1) insert–

“(2) For the purposes of the definition of organised trading facility in sub-paragraph (1), “structured finance products” means those securities created to securitise and transfer credit risk that depend on the cash flow from the from the underlying assets.

(3) In this Schedule, unless the context otherwise requires, references to–

(a) an MTF (without more) are to a Gibraltar MTF;

(b) an OTF (without more) are to a Gibraltar OTF;

(c) a regulated market (without more) are to a Gibraltar regulated market;

(d) a trading venue (without more) are to a Gibraltar trading venue; and

(e) an EU MTF, EU OTF or EU regulated market, include MTFs, OTFs and regulated markets in EEA countries.

(4) In this Schedule, unless the context otherwise requires, references to a “third country” are references to a country or territory other than Gibraltar.”;

(c) in paragraph 4–

(i) for sub-paragraph (b) substitute–

“(b) the European Central Bank or the central bank of any state;”;
and

(ii) in sub-paragraph (d), for “an EEA State” substitute “Gibraltar or any state”;

(d) for paragraph 7(2) substitute—

“(2) In sub-paragraph (1), “practising lawyer” means a person admitted or entitled to practise as a barrister or solicitor under section 28 or 29 of the Supreme Court Act.”;

(e) in paragraph 10(2)—

(i) omit paragraph (c); and

(ii) omit paragraph (f) and the “or” which precedes it;

(f) in paragraph 12(1)(a), for “as defined in Article 4(5) of the Payment Services Directive” substitute “within the meaning of paragraph 15”;

(g) in paragraph 15—

(i) in the definition of “branch”, omit paragraphs (d) and (e); and

(ii) in the definition of “payment service provider”, for paragraphs (d) to (i) substitute—

“(d) credit institutions, including any branches in Gibraltar;

(e) electronic money institutions, including branches in Gibraltar of electronic money institutions with head offices outside Gibraltar, so far as the payment services provided by those branches are linked to the issuance of electronic money; and

(f) post office giro institutions entitled under Gibraltar law to provide payment services;”;

(h) in paragraph 18—

(i) in paragraph (g), in both places it occurs, for “laws of EEA States which are” substitute “law of any State which is”;

(ii) for paragraph (k)(iii) substitute—

“(iii) instruments valid only in Gibraltar, provided at the request of an undertaking or public sector entity and regulated by a public authority for specific social or tax purposes, to acquire specific goods

or services from suppliers having a commercial agreement with the issuer;” and

(iii) in paragraph (1), for the third sub-paragraph, substitute–

“In point (1), “electronic communications network” and “electronic communications service” have the meaning given in section 2 of the Communications Act 2006.”;

(i) in paragraph 23, for sub-paragraph IX, substitute–

“Operations relating to the length of human life which are regulated by or under any enactment relating to social security, in so far as they are effected or carried out at their own risk by insurance undertakings with permission to effect or carry out contracts of long-term insurance as principals.”;

(j) omit paragraph 26;

(k) in paragraph 33–

(i) for the definition of “insurance undertaking” substitute–

““insurance undertaking” means an undertaking with permission to effect or carry out contracts of insurance;” and

(ii) for the definition of “reinsurance undertaking” substitute–

““reinsurance undertaking” means an undertaking with permission to effect or carry out contracts of reinsurance;”;

(l) in paragraph 34, for “relation to a risk or commitment located in an EEA State” substitute “Gibraltar”;

(m) in paragraph 35, for “relation to a risk or commitment located in an EEA State” substitute “Gibraltar”;

(n) omit paragraph 42;

(o) in paragraph 44(1), omit the definition of “the Commission Regulation”;

(p) in paragraph 45(2), in point 1 for “Regulation (EU) No 909/2014” substitute “CSD Regulation”;

(q) in paragraph 46(11)–

(i) after “compliance” insert “by an EEA State”; and

- (ii) at the end insert “as it applies in the European Union”;
- (r) in paragraph 47, for “(which give effect to relevant provisions of the Commission Regulation)” substitute “ , which are derived from Commission Delegated Regulation (EU) 2017/565 (the “Commission Regulation”)”;
- (s) in paragraph 55–
 - (i) re-number sub-paragraph (1) as paragraph 55; and
 - (ii) omit sub-paragraph (2);
- (t) in paragraph 56–
 - (i) re-number sub-paragraph (1) as paragraph 56; and
 - (ii) omit sub-paragraphs (2) and (3);
- (u) in paragraph 58–
 - (i) for “Solvency 2 Directive” substitute “Financial Services (Insurance Companies) Regulations 2020”; and
 - (ii) for “that Directive” substitute “those Regulations”;
- (v) in paragraph 62(3)(a)(ii), for “under the Capital Requirements Directive” substitute “requiring permission under Part 7 (or which would require such permission if carried on in Gibraltar)”;
- (w) omit paragraph 63;
- (x) in paragraph 65(a), omit “whether coordinated at European Union level or not”;
- (y) in paragraph 67, for “except as provided for in Article 73 of Regulation (EU) No 909/2014” substitute “other than as provided by Article 73 of the CSD Regulation”;
- (z) omit paragraph 68;
- (za) in paragraph 69, for the definition of “sovereign issuer” substitute–
 - ““sovereign issuer” means any of the following which issue debt instruments–
 - (a) Gibraltar, including a government department, agency or special purpose vehicle of Gibraltar;
 - (b) a State other than Gibraltar, including a government department, agency or special purpose vehicle of the State;

- (c) in the case of a federal State, a member of the federation;
 - (d) a special purpose vehicle for several States;
 - (e) an international financial institution established by two or more States which has the purpose of mobilising funding and providing financial assistance for the benefit of those of its members that are experiencing or threatened by severe financing problems;
 - (f) the European Union;
 - (g) the European Investment Bank;
 - (h) the International Finance Corporation;
 - (i) the International Monetary Fund;”;
- (zb) in paragraph 81–
- (i) in sub-paragraph (1), for the definition of “financial contract” substitute–
““financial contract” means–
 - (a) a credit agreement within the meaning of section 3 of the Financial Services (Consumer Credit) Act 2011; or
 - (b) a mortgage credit agreement within the meaning of paragraph 117;”; - (ii) in sub-paragraph (2)(b)(ii), for “European Union” substitute “relevant area”; and
 - (iii) after sub-paragraph (2) insert–
- “(3) For the purposes of sub-paragraph (2)(b)(ii), “the relevant area” consists of Gibraltar and any country or region the GFSC may specify by written notice to the investment firm concerned.
- (4) The GFSC may only specify that a country or region is within the relevant area in relation to a specific financial instrument if the GFSC is able to obtain sufficient reliable trading data to enable it to assess total orders executed in the financial instrument concerned in that country or region.”;
- (zc) in paragraph 89, omit “or to ESMA”;
- (zd) in paragraph 116(1), in the definition of “total cost of the credit to the consumer”, for “point (g) of Article 3 of the Consumer Credit Directive” substitute “section 3 of the Financial Services (Consumer Credit) Act 2011”;

(ze) in paragraph 117(1)(a)(i), omit “commonly used within the EEA”;

(zf) for paragraph 141(2), substitute—

“(2) Condition A is that the person is a regulated firm which has permission under Part 7 of this Act to carry on an activity of a kind specified by any other provision of this Schedule.”; and

(zg) in paragraph 142—

(i) re-number sub-paragraph (1) as paragraph 142; and

(ii) omit sub-paragraph (2).

Amendment of Schedule 3.

28. In Schedule 3, in the table, omit column 5.

Amendment of Schedule 8.

29. For Schedule 8 substitute—

“DESIGNATION OF GFSC AS COMPETENT AUTHORITY

1. The GFSC is designated as the competent authority under the following Regulations as they form part of the law of Gibraltar by virtue of section 6 of the European Union (Withdrawal) Act 2019—

the Benchmarks Regulation;

the Capital Requirements Regulation;

EMIR;

the ELTIF Regulation;

the EUSEF Regulation;

the EuVECA Regulation;

the Interchange Fee Regulation;

MiFIR;

the Market Abuse Regulation;

the PRIIP Regulation;

the Prospectus Regulation;

the SFTR Regulation.

2. The GFSC is designated as the competent authority under the law of Gibraltar which gives effect to the following Directives as they applied immediately before IP completion day–

the AIFM Directive;

the Audit Directive;

the Capital Requirements Directive;

the Consumer Credit Directive;

the DGS Directive;

the Distance Marketing Directive;

the E-Money Directive;

the Insurance Distribution Directive;

the Listing Directive;

the MiFID 2 Directive;

the Mortgage Credit Directive;

the Occupational Pensions Scheme Directive;

the Payment Accounts Directive;

the Payment Services Directive;

the Recovery and Resolution Directive;

the Solvency 2 Directive;

the Takeover Bids Directive;

the Transparency Directive;

the UCITS Directive.”.

30. Omit Schedule 10.

Amendment of Schedule 11.

31. Omit Schedule 11.

Amendment of Schedule 12.

32. In Schedule 12, in paragraph 3(2)–

- (a) in paragraph (e), after “under” insert “an enactment which, immediately before IP completion day, implemented in Gibraltar any of the following Directives”; and
- (b) in paragraph (f)(iii), for “a territory which is not an EEA State” substitute “a country or territory outside Gibraltar”.

Amendment of Schedule 13.

33. In Schedule 13–

- (a) in paragraph 2(2)–
 - (i) in paragraph (d), for “under article 104(1)(a) or 105 of the Capital Requirements Directive” substitute “by regulations 140(1)(a) and 141 of the Financial Services (Credit Institutions and Capital Requirements) Regulations 2020”; and
 - (ii) in paragraph (e), for “article 67.1 of the Capital Requirements Directive” substitute “regulation 146 of the Financial Services (Credit Institutions and Capital Requirements) Regulations 2020”;
- (b) in paragraph 5(2)(e), for “in accordance with the Solvency 2 Directive” substitute “including, in particular, by or under the Financial Services (Insurance Companies) Regulations 2020”;
- (c) in paragraph 6–
 - (i) for sub-paragraph 3(d) substitute–
 - “(d) the firm has seriously or systematically infringed requirements imposed by or under this Act including, in particular, by or under the Financial Services (Investment Services) Regulations 2020”; and
 - (ii) in sub-paragraph (4), for “EUMAR or of a directly applicable EU regulation made under EUMAR” substitute “the Market Abuse Regulation of any provision made under it”;

(d) for paragraph 8(2)(d) substitute–

“(d) the firm has seriously or systematically infringed requirements imposed by or under this Act including, in particular, by or under the Financial Services (Investment Services) Regulations 2020”;

(e) in paragraph 9(2)(d), for “in accordance with the MiFID 2 Directive” substitute “including, in particular, by or under the Financial Services (Investment Services) Regulations 2020”;

(f) in paragraph 10(2)–

(i) in paragraph (c), for “Article 6.3(a) of the UCITS Directive” substitute “regulation 15(1)(a) of the Financial Services (UCITS) Regulations 2020”; and

(ii) for paragraph (e) substitute–

“(e) the firm has seriously or systematically infringed requirements imposed by or under this Act including, in particular, by or under the Financial Services (UCITS) Regulations 2020”;

(g) in paragraph 11(2)–

(i) in paragraph (c), for “Article 6.4(a) of the AIFM Directive, the firm no longer complies with the Capital Requirements Regulation or the Capital Requirements Directive” substitute “regulation 12(4)(a) of the Financial Services (Alternative Investment Fund Managers) Regulations 2020, the firm no longer complies with those Regulations, the Financial Services (Credit Institutions and Capital Requirements) Regulations 2020 or the Capital Requirements Regulation”;

(ii) in paragraph (e)(i), for “in accordance with the AIFM Directive” substitute “including, in particular, by or under Financial Services (Alternative Investment Fund Managers) Regulations 2020”; and

(iii) omit paragraph (e)(ii); and

(h) in paragraph 12(2)(d), for “pursuance to the Mortgage Credit Directive” substitute “including, in particular, by or under the Financial Services (Mortgage Credit) Regulations 2020”.

Amendment of Schedule 14.

34. In Schedule 14, in paragraph 3(2)–

- (a) in Part 1, in both places it occurs, for “in EEA countries” substitute “outside Gibraltar”; and
- (b) omit Part 3.

Amendment of Schedule 19.

35. In Schedule 19–

- (a) opposite the table entry “Limit of protection” for “€100,000 per depositor per credit institution or the currency equivalent at the time of disbursement” substitute “the sterling equivalent of €100,000 (at the time of disbursement) per depositor per credit institution”;
- (b) opposite the table entry “If you have more eligible deposits at the same credit institution” for “€100,000 or currency equivalent” substitute “the sterling equivalent of €100,000”;
- (c) opposite the table entry “If you have a joint account with other person(s)” for “€100,000 or currency equivalent” substitute “the sterling equivalent of €100,000”;
- (d) opposite the table entry “Currency of reimbursement” omit “or, for branches operating in an EEA State, the currency of that State”.
- (e) in the paragraph headed “Scheme responsible for the protection of your deposit” for “€100,000 (or the currency equivalent at the time of disbursement)” substitute “the sterling equivalent of €100,000 (at the time of disbursement)”;
- (f) in the paragraph headed “General limit of protection”–
 - (i) in the first sub-paragraph–
 - (aa) for “€100,000 (or the currency equivalent at the time of disbursement)” substitute “the sterling equivalent of €100,000 (at the time of disbursement)”;
 - (bb) for “€100,000 (or currency equivalent)” substitute “the sterling equivalent of €100,000”;
 - (ii) in the second sub-paragraph for “€100,000 (or the currency equivalent)” substitute “the sterling equivalent of €100,000”;
 - (iii) in the third sub-paragraph for “€100,000 (or the currency equivalent)” substitute “the sterling equivalent of €100,000”;
- (g) in the paragraph headed “Limit of protection for joint accounts”–

- (i) in the first sub-paragraph for “€100,000 (or currency equivalent)” substitute “the sterling equivalent of €100,000”; and
- (ii) in the second sub-paragraph for “€100,000 (or currency equivalent)” substitute “the sterling equivalent of €100,000”; and
- (h) in the paragraph headed “Reimbursement” in the first sub-paragraph for “€100,000, or currency equivalent” substitute “the sterling equivalent of €100,000”.

Amendment of Schedule 20.

36. In Schedule 20, in paragraph 1, for “Annex II of the MiFID 2 Directive (professional and institutional investors)” substitute “Schedule 1 to the Financial Services (Investment Services) Regulations 2020”.

Amendment of Schedule 22.

37. In Schedule 22, in paragraph 9(4), in the definition of “sovereign issuer”, for paragraphs (a) to (i) substitute—

- “(a) the Government;
- (b) the government of any country or territory outside Gibraltar;
- (c) a public or local authority in Gibraltar or elsewhere; or
- (d) a body the members of which comprise—
 - (i) states including Gibraltar or the United Kingdom; or
 - (ii) bodies whose members comprise states including Gibraltar or the United Kingdom.”.

Amendment of Schedule 23.

38. In Schedule 23—

- (a) in paragraph 1—
 - (i) in sub-paragraph (a), at the end insert “in Gibraltar”;
 - (ii) omit sub-paragraph (b);
 - (iii) in sub-paragraph (c), in both places it occurs, for “third country” substitute “country or territory outside Gibraltar”;

- (iv) in sub-paragraph (d), for “competent authority of an EEA State” substitute “GFSC”;
- (v) in sub-paragraph (e)–
 - (aa) in the opening words, omit “authorised according to the UCITS Directive”;
 - (bb) in the opening words, omit “whether or not established in an EEA State,”;
 - (cc) in paragraph (i), for “in European Union law” substitute “by or under this Act”; and
 - (dd) in paragraph (ii), for “the UCITS Directive” substitute “the Financial Services (UCITS) Regulations 2020”;
- (vi) for sub-paragraph (f) substitute–
 - “(f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that, if the credit institution has its registered office in a country or territory outside Gibraltar, it is subject to prudential rules considered by the GFSC as equivalent to those laid down by of under this Act;”;
- (vii) in sub-paragraph (g), for “sub-paragraphs (a) to (c)” substitute “sub-paragraph (a) or (c)”;
- (viii) for sub-paragraph (h)(i) substitute–
 - “(i) are issued or guaranteed by–
 - (aa) the government of Gibraltar or the government of a country or territory outside Gibraltar;
 - (bb) a central, regional or local authority or central bank of a country or territory outside Gibraltar;
 - (cc) the European Union, the European Central Bank or the European Investment Bank; or
 - (dd) a public international body to which Gibraltar, the United Kingdom or one or more EEA States belongs;”;
- (ix) in sub-paragraph (h)(ii), for “sub-paragraphs (a) to (c)” substitute “sub-paragraph (a) or (c)”;
- (x) for sub-paragraph (h)(iii) substitute–

- “(iii) are issued or guaranteed by an establishment which is subject to and complies with prudential rules considered by the GFSC to be at least as stringent as those laid down by or under this Act; or”;
- (b) in paragraph 6(2), for “paragraph 1(a) to (c)” substitute “paragraph 1(a) or (c)”;
- (c) in paragraph 9(b), for “paragraph 1(a) to (c)” substitute “paragraph 1(a) or (c)”;
- (d) in paragraph 11(3)(a), for “paragraph 1(a), (b) or (c)” substitute “paragraph 1(a) or (c)”;
- (e) in paragraph 15–
 - (i) in sub-paragraph (2), for “of an EEA State or by a public international body but not guaranteed by an EEA State or, in the case of a federal State which is an EEA State, by one of the members making up the federation” substitute “but not guaranteed by the country or territory concerned or by a public international body but not guaranteed by a country or territory which is a member of that body”; and
 - (ii) in sub-paragraph (4), omit “from an EEA State “; and
- (f) in paragraph 16–
 - (i) in the opening words, for “by European Union law” substitute “by or under this Act”;
 - (ii) in sub-paragraph (a), after “located in”, insert “the United Kingdom or”;
 - and
 - (iii) in sub-paragraph (d), for “by European Union law” substitute “by or under this Act”.

Amendment of Schedule 24.

39. In Schedule 24, omit paragraph 2.

Amendment of Schedule 24A.

40. In Schedule 24A, in paragraph 1(3)(b), omit “EU”.

Amendment of Schedule 25.

41. In Schedule 25–

- (a) in paragraph 4(2), for “home State competent authority” substitute “GFSC”;

- (b) in paragraph 5(1), for “within the EEA” substitute “in Gibraltar”; and
- (c) in paragraph 10(3), for “Gibraltar is the issuer’s home State” substitute “the issuer’s registered office is in Gibraltar”.

Amendment of Schedule 26.

42. In Schedule 26–

- (a) for the heading, substitute “THE MARKET ABUSE REGULATION”;
- (b) omit paragraphs 1 and 2;
- (c) in paragraph 3, in the four places it occurs, for “EUMAR” substitute “the Market Abuse Regulation”;
- (d) in paragraph 4–
 - (i) for sub-paragraph (1)(a) substitute–
 - “(a) contravened any of the following provisions of the Market Abuse Regulation–
 - (i) Articles 14 or 15;
 - (ii) Article 16(1) or (2);
 - (iii) Article 17(1), (2), (4), (5) or (8);
 - (iv) Article 18(1) to (6);
 - (v) Article 19(1), (2), (3), (5), (6), (7) or (11); or
 - (vi) Article 20(1); or”;
 - (ii) in sub-paragraph (1)(b)(ii), for “EUMAR” substitute “the Market Abuse Regulation”; and
 - (iii) in sub-paragraph (2), for “EUMAR” substitute “the Market Abuse Regulation”;
- (e) in paragraph 5(2)(b), for “EUMAR” substitute “the Market Abuse Regulation”;
- (f) in paragraph 8(1), in the six places it occurs, for “EUMAR” substitute “the Market Abuse Regulation”; and
- (g) in paragraph 10–

- (i) in sub-paragraph (1), for “EUMAR” substitute “the Market Abuse Regulation”; and
- (ii) in sub-paragraph (2)–
 - (aa) omit “, which transposes Directive (EU) 2015/2392,”; and
 - (bb) for “EUMAR” substitute “the Market Abuse Regulation”.

Amendment of Schedule 27.

43. In Schedule 27–

- (a) for the heading, substitute “REPORTING CONTRAVENTIONS OF THE MARKET ABUSE REGULATION”;
- (b) in paragraph 1(1), in the three places it occurs, for “EUMAR” substitute “the Market Abuse Regulation”;
- (c) in paragraph 3(e), for “EUMAR” substitute “the Market Abuse Regulation”;
- (d) in paragraph 4(1)(d), for “EUMAR” substitute “the Market Abuse Regulation”; and
- (e) in paragraph 4(2)–
 - (i) omit “European Union or domestic”; and
 - (ii) for “such” substitute “the relevant”.

Dated: 24th December 2020.

A J ISOLA
Minister with responsibility for financial services

EXPLANATORY MEMORANDUM

These regulations are made under the European Union (Withdrawal) Act 2019 and address failures of retained EU law to operate effectively and other deficiencies arising from Gibraltar’s withdrawal from the European Union. The regulations amend the Financial Services Act 2019.