

# MALTA PRIVATE SECURITISATION CELL COMPANY

Malta Securitisation Vehicles

## GDP GROWTH

6.3% in 2015

## TIMEZONE

Central European Time Zone  
(UTC+01:00)

## INDUSTRY

Fastest Growing Securitisation  
Jurisdiction with >100% Increase  
in Vehicles over the Past Year

## BANKING SYSTEM

10th Soundest System in the  
World (WEF)

## STAMP DUTY

Exemption Applicable to Securitisation Vehicles

## FINANCIAL SERVICES FRAMEWORK

EU and OECD Approved

## TAX REGIME

EU and OECD Compliant

## REGULATOR

Flexible and Approachable







## MALTA

Since joining the European Union in 2004, Malta has developed into an innovative and reliable financial services centre, hosting a variety of financial services businesses and structures including securitisation structures. The Malta Financial Services Authority (MFSA), is the Island's single regulatory authority regulating and supervising all financial services activities.

Malta Private Securitisation Cell Companies are used for all kinds of securitisation transactions. This structure allows for assets and liabilities of one cell to not be attributable to any other cell without having a distinct separate legal personality. Furthermore for any cell, there is no legal recourse between creditors of another cell to its assets. Each cell may also have its own base currency and each individual cell may only enter into securitisation transactions from the same originator.

Malta's legal framework provides for a range of securitisation transactions under a secure regulatory framework and offers various legal and international tax benefits – making it the jurisdiction of choice for setting up of tax neutral securitisation vehicles.

## LEGAL BASIS

Malta Private Securitisation Cell Companies (SCCs) are regulated by the Securitisation Cell Companies Regulations, 2014 (the "Regulations") and the Securitisation Act, 2006 (the "Act"). Together they provide an innovative regime in the setup of securitisation transactions. The "Cell Structure" offered in Malta for Securitisation vehicles are such that allow assets and liabilities to be segregated under one legal structure.

The Act provides that no proceedings taken against the Originator under any law, including any dissolution and winding-up proceedings will have any effect on the Special Purpose Vehicle (SPV), any securitisation assets acquired or risks assumed by the SPV, as well as any cash flow or other asset of the SPV, and any payments due by the underlying debtors in connection with the securitised assets.

The Regulations lay out that the cells created under an SCC hold a separate patrimony from that of the company and of any other cell. Therefore the assets of one cell may not be used in lieu of the liabilities of another.



## BENEFITS



Fast process:  
3 weeks



Separate Patrimony  
for each Cell



Tax Neutral



VAT Neutral



No Local Presence  
Required



Notification Process  
Only





## KEY REQUIREMENTS

For private securitisation transactions, each separate cell is to undergo a simple notification process.

With respect to public securitisation transactions, each cell requires MFSA approval for its setup, essentially undergoing a authorisation process.

### ASSETS

A wide range of forms of assets qualify as securitisation assets. The flexibility of the regime allows any asset type; whether existing or future, movable or immovable, tangible or intangible, including risks.

Versatility is also provided for in the determination of the method employed in transferring the securitisation assets, including novation, sale, assignment and declaration of trust.

### SECURITIES

Any class of transferable security negotiable on the capital markets are eligible to be issued by the SCC. These include: Shares in companies or any equivalent; bonds or other forms of securitised debt; and any other securities giving the right to acquire or sell such.

### OFFERING DOCUMENTS

An offering document outlining the nature of the security being issued by each cell is to be prepared. Care must be taken that the securities issued by any cell are in line with the intentions of the SCC that is private or public.

### LEGAL FORM

Malta also offers two other forms of Securitisation setups: the Private Securitisation Vehicle and the Public Securitisation Vehicle.

A Malta Private Securitisation Cell Company may also be setup as a Reinsurance Special Purpose Vehicle and would need to abide by the regulations for such setups to be able to transfer such risks through a securitisation transaction.



## KEY ELEMENTS OF THE TRANSACTION



Securities



Securitised Assets



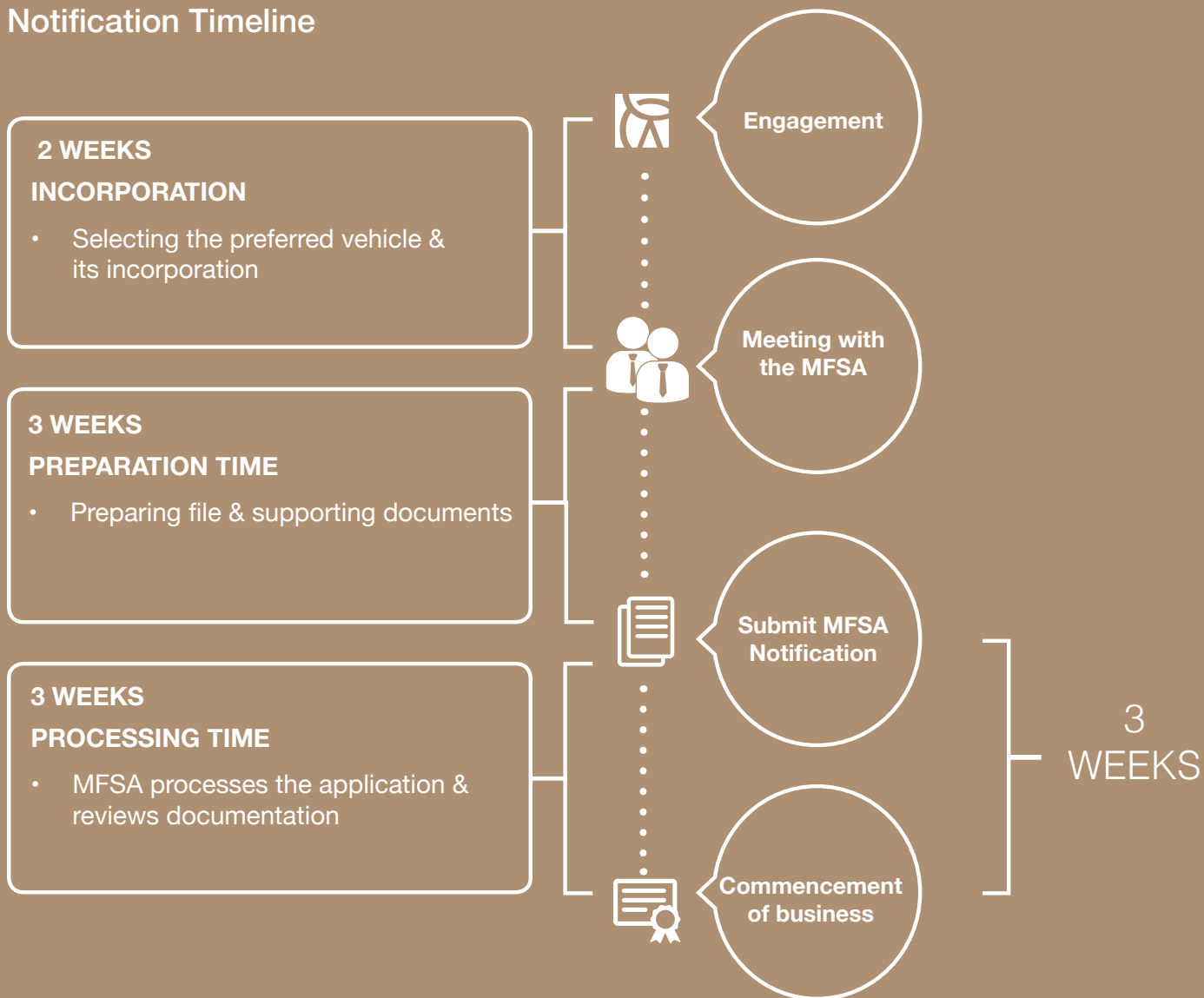
Legal Form



Offering Documents

# MALTA PRIVATE SECURITISATION CELL COMPANY

## Notification Timeline



## WHY WORK WITH US?



Problem Solving,  
Integrity, Honesty



Ranked in Various  
Listing Directories



We're lawyers:  
Lawyer - Client  
Privilege



15+ Years  
Experience in  
Financial Services



Malta-Cyprus  
Lawyers, Tax  
Advisors,  
Fiduciary Staff: 100+



Our Ethos:  
Big Firm Expertise,  
Small Firm Personal



**CHETCUTI  
CAUCHI**  
ADVOCATES

Malta



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