

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

22nd March, 2006

Mr Lionel Fretz
Carbon Capital Markets Limited
Fourth Floor,
15 Berkeley Street,
London
W1J 8DY
United Kingdom



Dear Mr Fretz,

Re: Carbon Capital Markets Limited
Passporting of Services in terms of Directive 93/22 – the Investment Services Directive (“ISD”)

On the 6th March 2006, we received, from the Passport Notification Unit of the Financial Services Authority (FSA), United Kingdom, a notification dated 2nd March 2006, regarding the provision of investment services on a cross border basis in Malta, by the Company.

Please note that European undertakings providing services in Malta are required to comply with the general good provisions, including those on advertising, disclosure to consumers, fiscal representation, duty on documents and prevention of money laundering. All laws, regulations, directives and guidelines applicable to the provision of financial services are available on the website of the Malta Financial Services Authority at www.mfsa.com.mt.

Kindly download the ‘Guidelines for European Firms Passporting into Malta’ from the Authority’s website by selecting ‘Securities’ followed by ‘Investment Services’ and then ‘Guidelines’ and scrolling down until you find Passporting Guidelines. Please note that these guidelines contain the regulatory requirements applicable for operating through a branch in Malta or for providing services in Malta on a cross border basis. Only those Guidelines applicable to cross border services will apply in your case.

We would also like to draw your attention to the requirement to appoint a fiscal representative who will be responsible for the payment of all tax, duty and other similar fiscal charges which may be levied in Malta in respect of the business carried on in Malta under the provisions of freedom to provide services by the European Undertaking which appointed the representative. Liaison would need to be effected with the International Tax Unit (Senior Principal - Mr Anton Vella Laurenti, e-mail: anthony.vella-laurenti@gov.mt) in this regard.

Kindly also note, the requirement to submit statistical information to the Central Bank of Malta in terms of the External Transactions Act, *Cap 233*, (the “Act”) in respect of external transactions as defined in the External Transactions Circulars issued by the Central Bank of Malta in terms of the Act. The Act, can be downloaded from the

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Ministry of Justice site at www.justice.gov.mt. The Central Bank External Transactions Circulars and relevant forms can be downloaded from the Central Bank site at www.centralbankmalta.com by clicking on "Legislation" followed by "External Transactions Circulars". Liaison would need to be effected with the Central Bank of Malta (Executive, External Transactions Data Office – Mr Jesmond Cutajar, e-mail: cutajarj@centralbankmalta.com).

In future, should there be a change in the content of the information forwarded to us by the FSA, you are required to give written notice of that change to the FSA and ourselves accordingly, before implementing such changes, as is required by Article 18(3) of the ISD.

Please do not hesitate to contact Mr. Neal Rossignaud should you have a difficulty in the interpretation of the conditions, or require any clarification.

Yours sincerely,



André J. Camilleri
Director General

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Kindly download the 'Guidelines for European Firms Participating into Malta' from the Authority's website by selecting 'Services' followed by 'Investment Services' and

through a search in Malta or for providing services in Malta on a cross border basis. Only those Guidelines applicable to cross border services will apply in your case.

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