



**ISLE OF MAN
FINANCIAL SERVICES AUTHORITY**

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Consultation Response

Auditor Confirmations in Applications for Insurance Authorisation by Protected Cell Companies and Limited Partnerships

CR20-06/T17

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Glossary

Authority	Isle of Man Financial Services Authority
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PCC	Protected Cell Company
LP	Limited Partnership

1. Background

This Feedback Statement is issued by the Isle of Man Financial Services Authority following Consultation Paper CP19-06/T17¹.

The purpose of the Consultation Paper was to obtain views and evidence in relation to the proposal to remove the requirement for auditor confirmations in the insurance authorisation application process in respect of PCCs and LPs.

2. Summary of Responses

We received 2 responses welcoming and supporting the proposals.

3. Changes to the Proposals

Under the Insurance Regulations 2018, conventional insurance companies are not required to obtain auditor confirmations in relation to their business plans as part of an application for authorisation under section 6 of the Insurance Act 2008. The Authority had removed such a requirement when it introduced the Insurance Regulations 2018 (which updated the Insurance Regulations 1986).

For PCCs and LPs legislation has yet to be amended to similarly remove the requirement to obtain confirmation from Auditors that they consider the information provided in respect of the applicant's Business Plan to have been properly prepared.

Accordingly, PCCs and LPs are subject to additional requirements for progressing applications when compared to conventional companies which the Authority considered disproportionate and sought to address this issue through the changes proposed in CP19-06/T17.

More detail of the existing legislative requirements is set out in CP19-06/T17.

4. Next Steps

Given the responses received to the consultation the Authority will now progress to make the Insurance (Protected Cell Companies and Limited Partnerships) Amendment Regulations 2020.

In case of any query, please contact the undersigned —

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¹ https://consult.gov.im/financial-services-authority/auditor-confirmations-in-applications-for-insuranc/supporting_documents/CP1906%20T17%20ConsultationPaperAuditor%20confirmations%20v2.pdf

Appendix A – List of Representative Groups to which this Consultation Response has been sent

- Isle of Man Captive Association
- Manx Insurance Association
- Isle of Man Society of Chartered Accountants