



# INSURANCE (SPECIAL PURPOSE VEHICLE AND CORPORATE GOVERNANCE) (AMENDMENT) GUIDANCE NOTES 2025

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Statutory Document No. 20XX/XXXX

*Insurance Act 2008*

# INSURANCE (SPECIAL PURPOSE VEHICLE AND CORPORATE GOVERNANCE) (AMENDMENT) GUIDANCE NOTES 2025

*Laid before Tynwald:**Coming into Operation:**31 March 2025*

The Isle of Man Financial Services Authority issues the following binding Guidance Notes under section 51(1) of the Insurance Act 2008 after carrying out the consultation required by section 51(6) of that Act.

## 1 Title

These Guidance Notes are the Insurance (Special Purpose Vehicle and Corporate Governance) (Amendment) Guidance Notes 2025.

## 2 Commencement

These Guidance Notes come into operation on 31 March 2025<sup>1</sup>.

## PART 1

### WITHDRAWAL OF SPECIAL PURPOSE VEHICLE GUIDANCE NOTES

## 3 Withdrawal of special purpose vehicle guidance notes

The Guidance Notes for Insurance Special Purpose Vehicles<sup>2</sup> are hereby withdrawn.

<sup>1</sup> Under section 51(7) of the Insurance Act 2008, Guidance Notes shall be laid before Tynwald as soon as practicable after being issued

<sup>2</sup> SD 2015/0101



## PART 2

### AMENDMENTS TO CORPORATE GOVERNANCE

#### 4 References under this Part to the Corporate Governance Code of Practice for Insurers 2021

Unless specified otherwise, a reference to a paragraph or schedule in this Part is a reference to a paragraph in, or a schedule to, the Corporate Governance Code of Practice for Insurers 2021<sup>3</sup> (herein the “CGC”).

#### 5 Amendments updating references to the Insurance Regulations

- (1) In the following paragraphs and schedule for “Insurance Regulations 2021” substitute **SD Insurance Regulations 2025**<sup>4</sup> –
  - (a) paragraph 5 (application of the CGC), in subparagraph (4);
  - (b) paragraph 6 (additional matters concerning the application of the CGC to permit holders), in subparagraph (a);
  - (c) paragraph 76 (meaning of terms), in the definitions of “audited accounts”, “class”, “technical provisions” and “written”; and
  - (d) Schedule 1 (risks), in subparagraph (7) of paragraph 2 (underwriting risk).
- (2) In paragraph 5 (application of the CGC), in subparagraph (4) for the content of the footnote appearing in that subparagraph substitute **SD 2025/XXXX**.
- (3) In paragraph 6 (additional matters concerning the application of the CGC to permit holders), in subparagraph (a), for “regulation 3(1)” substitute **regulation 3(6)**.
- (4) In paragraph 76 (meaning of terms), in the definition of “audited accounts” for “regulation 6” substitute **regulation 8**.
- (5) In Schedule 1 (risks), in subparagraph (7) of paragraph 2 (underwriting risk), for “regulation 6(4)” substitute **regulation 8(4)**.

#### 6 Amendments renaming dormant authorised insurers as standby authorised insurers and other amendment to paragraph 5(5)

- (1) In paragraph 5 (application of the CGC), for subparagraph (5) substitute –
  - (5) Except as provided for in paragraph 18, a standby authorised insurer is exempt from the CGC.**

<sup>3</sup> SD 2021/0276

<sup>4</sup> SD 2025/XXXX

- (2) In paragraph 18 (board composition), for “dormant” substitute **“a standby authorised insurer”**.
- (3) In paragraph 76 (meaning of terms) —
- (a) omit the definition of “dormant”; and
  - (b) immediately after the definition of “stakeholder”, insert —  
**“standby authorised insurer”**, has the meaning given in regulation 3(1) of the Insurance Regulations 2025<sup>5</sup>; **”**.

## 7 Amendment to providing information to some insured parties in relation to class 12 insurers

In paragraph 72 (application of requirements (and class 12 requirement)), for subparagraphs (3) and (4) substitute —

- “**(3) In respect of a class 12 insurer, every direct contract of insurance written by the insurer after the date on which the CGC came into operation which insures a person **other than a —**
- (a) **member of the insurer’s (the captive’s) group; or**
  - (b) **connected individual of a member of the insurer’s (the captive’s) group,**
- in accordance with Schedule 1 to the Insurance Regulations 2025, must contain the information set out in sub-paragraph (5).
- (4) Any summary **of cover** or confirmation of cover provided by a class 12 insurer, whether directly or indirectly, to **an insured** person in accordance with subparagraph (3) that has not already been provided with written information in accordance with subparagraph (5) relating to the contract in question, must also contain the information set out in sub-paragraph (5). **”**

## 8 Amendment to actuarial function requirements of class 12 insurers

In paragraph 44 (function) (under Part 7: Actuarial Function), in subparagraph (7) immediately after “or have access to” insert **“(but need not retain the services of)”**.

<sup>5</sup> SD 2025/XXXX

**MADE**

**B. ROTH**

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***EXPLANATORY NOTE******(This note is not part of the Regulations)***

These Guidance Notes withdraw the Guidance Notes for Insurance Special Purpose Vehicles and amend the Corporate Governance Code of Practice for Insurers 2021 as a consequence of changes made in the Insurance Regulations 2025 and to recognise a potential approach to internal audit for class 12 and 13 insurers with certain outsourced management.