



ISLE OF MAN
FINANCIAL SERVICES AUTHORITY

Lught-Reill Shirveishyn Argidoil Ellan Vannin

Feedback Statement

Retirement Benefits Schemes (Amendment) Bill

FS26-01

Issue Date: 4 February 2026

Executive Summary

Purpose of the Feedback Statement

This Feedback Statement sets out the response of the Isle of Man Financial Services Authority ('the Authority') to consultation feedback on the **Retirement Benefits Schemes (Amendment) Bill**.

The consultation focused on proposed amendments to the Retirement Benefits Schemes Act 2000 ('RBSA00') and related changes to the Financial Services Act 2008 ('FSA08') and Insurance Act 2008 ('IA08').

The proposals aim to modernise the pensions regulatory framework, strengthen consumer protection, and align with international standards.

Consultation Overview

The consultation ran from **4 July to 1 September 2025**, following an extension from the original closing date. It generated **11 responses** from pension service providers, insurers, law firms, and industry associations.

Stakeholder Engagement

Respondents provided detailed feedback on the proposed legislative changes. The Authority thanks all contributors and remains committed to ensuring the revised framework is proportionate, effective, and workable in practice. Future secondary legislation and guidance will be subject to public consultation.

Key Themes from Responses

- **Support for Modernisation and Risk-Based Regulation** – Broad agreement on the need to update the framework and introduce licensing for pension providers.
- **Requests for Detail and Clarity** – Stakeholders sought more information on exemptions, transitional arrangements, and practical application of new requirements.
- **Proportionality and Competitiveness** – Concerns about compliance burdens, particularly for smaller schemes and international arrangements.
- **Defined Benefit Funding** – Recognition of the importance of a statutory funding regime, coupled with calls for flexibility and proportionality.

Main Outcomes and Changes to the Bill

Following review of consultation feedback, the Authority has made some refinements to the Bill and provided some clarifications, including:

- **Licensing Framework** – Confirmed phased implementation and enabling powers for exemptions.
- **Definition of Administrator** – Amended to allow for potential exemptions to be specified, e.g. in respect of outsourced service providers, where appropriate.

- **Guidance Status** – Revised to remove the last subsection and ensure continued judicial discretion to take guidance into account, rather than mandatory consideration.
- **DB Funding Regime** – Timeframes moved to regulations to allow some flexibility; winding-up deadlines aligned with UK standards. Exemption and modification regulation powers will allow for flexibility and proportionality in application.
- **Regulatory Safeguards** – Added explicit protection for legal professional privilege and appeal rights for warning notices and directions etc.
- **Civil Penalties** – Clause 51 has been removed from the Bill, with the intention of updating the civil penalty provisions in the RBSA00 through the Financial Services (Miscellaneous Provisions) Bill once that Bill is finalised. This will allow issues to be addressed, including narrowing the scope of persons that may be subject to civil penalties, where appropriate.

Impact and Rationale

The revised Bill seeks to enhance the Authority's ability to regulate pension service providers and pension schemes effectively while maintaining proportionality and competitiveness. It seeks to modernise the existing regulatory framework, allowing for a more risk-based approach that supports member protection and maintains alignment with international standards.

Next Steps

The Authority will progress the **Revised Bill** through Tynwald. Detailed provisions, including licensing exemptions, DB funding regulations, and governance requirements, will be developed in secondary legislation and guidance, subject to consultation and parliamentary approval.

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Glossary

| | |
|--------------------------|--|
| Authority | Isle of Man Financial Services Authority |
| Clause ('c.') | Clause (of the draft Bill) |
| CISA08 | Collective Investment Schemes Act 2008 |
| DB | Defined benefits |
| Draft Bill | Draft Retirement Benefits Schemes (Amendment) Bill V08 |
| F&P | Fitness and propriety |
| FSA08 | Financial Services Act 2008 |
| IA08 | Insurance Act 2008 |
| LPP | Legal professional privilege |
| NDA | Non-Disclosure Agreement |
| Paragraph ('p.') | Paragraph (of a Schedule to an Act) |
| RBSA00 | Retirement Benefits Schemes Act 2000 |
| Revised Bill | Draft Retirement Benefits Schemes (Amendment) Bill V |
| Scheme | Retirement benefits scheme (used interchangeably with the terms pension scheme and scheme) |
| Schedule ('Sch.') | Schedule (to the RBSA00, unless otherwise stated) |
| Section ('s.') | Section (of the RBSA00, unless otherwise stated) |
| UK | United Kingdom |

1. Background

This Feedback Statement is issued by the Isle of Man Financial Services Authority in connection with Consultation Paper (CP25-02)¹.

The consultation ran for eight weeks from 4 July 2025 to 1 September 2025. The original closing date was extended from 15 August 2025 to 1 September 2025 following requests from some respondents for additional time to consider the proposals and provide feedback.

The purpose of the Consultation Paper was to obtain views in relation to the draft Retirement Benefits Schemes (Amendment) Bill ('Draft Bill'). The Draft Bill proposes amendments to the Retirement Benefits Schemes Act 2000 ('RBSA00') and corresponding amendments to the Financial Services Act 2008 ('FSA08') and Insurance Act 2008 ('IA08').

The Authority has contacted the recipients listed in [Appendix A \(List of Specific Recipients\)](#) directly to provide a link to this Feedback Statement.

2. Summary of Responses

2.1 Overview

The consultation generated a good number of responses. Respondents represented a mix of pension service providers, insurers and law firms.

The Authority thanks all respondents for their considered feedback on the proposed amendments to the RBSA00. The amendments aim to modernise the regulatory framework and support a proportionate, risk-based approach to scheme oversight.

The Authority welcomes continued engagement from industry and other stakeholders to ensure the final framework is proportionate, effective and workable in practice. The Authority aims to work closely with pension service providers and other stakeholders as the framework evolves, with particular focus on secondary legislation and transitional arrangements. All future secondary legislation will undergo public consultation to ensure the regime remains effective, proportionate and aligned with operational realities.

The Authority has contacted the recipients listed in [Appendix A](#) directly to provide a link to this Feedback Statement.

2.2 Response Breakdown

The Authority received 11 responses to the consultation. There was a mix of respondents:

| Respondent Type | Responses |
|--|-----------|
| Regulated Entities – Pension Service Providers | 3 |
| Regulated Entities – Insurance Companies | 2 |

¹ [Retirement Benefits Schemes \(Amendment\) Bill - Cabinet Office of the Isle of Man Government - Citizen Space](#)

| Respondent Type | Responses |
|----------------------------|-----------|
| Industry Associations | 1 |
| Law Firms – Isle of Man | 3 |
| Law Firms – United Kingdom | 1 |
| Other | 1 |
| Total | 11 |

2.3 Main Theme

The main finding from the consultation was that respondents were keen to understand the detail of the proposed new regulatory framework. The Consultation Paper only covered the changes needed to primary legislation to provide a statutory basis for the future framework.

The Authority acknowledges that the Bill and the consultation document did not contain all the detail that the consultation respondents may have been keen to see. However, the development of flexible primary legislation is essential to enable the Authority to tailor regulatory requirements to proportionately reflect the risk profile and complexity of different scheme types. This approach supports efficient, risk-based regulation while minimising unnecessary administrative burdens.

The detailed draft secondary legislation and associated guidance needed to implement the revised regulatory framework will form part of the next phase of the project once the Bill is progressed. These will be subject to separate consultations and engagement with the pensions industry and other stakeholders to ensure the proposed new regime will be effective, proportionate and fit for purpose.

In addition, as noted in the Consultation Paper, it is proposed that the provisions in the Bill would be brought into operation by Appointed Day Orders in phases, starting with the highest priority provisions, i.e. the provisions associated with the proposal to bring pension providers within the scope of regulation under the FSA08. Other provisions would be brought into operation in later phases. This allows the amended provisions of the RBSA00 to come into effect in a phased manner, once the necessary preparations are complete.

3. Consultation Responses by Topic

This section provides a summary of the feedback received on the Bill and the Authority's responses to the feedback. [Section 3 \(Outcome of Consultation and Resulting Actions\)](#) sets out the post-consultation changes that have been made to the Bill.

3.1 FSA08 Regulatory Framework for Pension Service Providers

3.1.1 Business Conduct and Prudential Regulation

At present, pension providers are not subject to business conduct and prudential regulation under either the RBSA00 or FSA08. To address this gap, the Bill proposes amendments to the RBSA00 to bring pension providers under the scope of conduct and prudential regulation under the FSA08 and related legislation such as the Financial Services Rule Book. In particular, it would replace the existing requirement for a scheme administrator registered under the

RBSA00 with a requirement for at least one scheme trustee and the scheme administrator to be licensed under the FSA08 (subject to prescribed exemptions).

The proposed changes aim to ensure that the Isle of Man's regulatory framework continues to provide an appropriate degree of protection for pension consumers while safeguarding the Island's reputation as a well-regulated financial centre.

3.1.2 New Class of Regulated Activities for Pension Services

As outlined in the Consultation Paper, it is intended that the Regulated Activities Order 2011 (made under the FSA08) would be amended following the enactment of the Bill to bring pension service providers within the scope of that Act. The proposed regulated activities would include undertaking activities relating to the establishment, management, administration and winding up of a retirement benefits scheme by way of business. The drafting of these regulated activities would be subject to future consultation outcomes and any prescribed exclusions or exemptions.

Respondents to the consultation generally welcomed the proposals intended to modernise and strengthen the regulatory framework. For example:

- One respondent said the licensing requirements would ensure that authorised schemes benefit from professional expertise, enhancing governance and standards.
- Another respondent said that the proposed changes to regulatory framework, especially the licensing of pension providers, would significantly strengthen the protection afforded to members of retirement benefits schemes in the Island.

Authority Response

At present, most authorised schemes have an Isle of Man-based pension provider that acts as both a scheme trustee and the administrator by way of business. Under the revised regime, those pension providers would be subject to business conduct and prudential regulation under the FSA08, providing a higher level of protection to scheme members.

3.1.3 Exemptions from Licensing Requirements

Some respondents requested consideration of potential exemptions from the proposed licensing requirements. The Bill includes enabling powers under which the Authority may make regulations prescribing certain exemptions. This would operate in a similar way to exemptions prescribed under the FSA08 in the Financial Services (Exemptions) Regulations 2011.

Authority Response

Potential exemptions will be considered in due course, and any proposed exemptions will be subject to public consultation. Particular consideration may be given to the small number of legacy schemes that currently have a lay person resident in the Island act as the administrator alongside lay trustees with no commercial interest involved (i.e. there is no

business conduct risk in relation to the management and administration of the pension arrangement), subject to appropriate safeguards.

However, it is important that any exemptions would not undermine scheme governance standards or limit the Authority's ability to oversee and enforce regulatory standards, as that could weaken the improvements to the regulatory framework. It is also important that any exemptions do not conflict with Isle of Man tax approval legislation requirements.

3.1.4 Practical Application of Licensing Requirements

The Authority acknowledges the request for greater clarity on how the licensing requirements will apply, including the meaning of 'acting by way of business' in the context of persons holding limited or legacy appointments.

Authority Response

It is anticipated that remuneration (in whatever form) may generally be an indicator of a person's status as acting by way of business, although the introduction of *de minimis* exemptions may be considered, i.e. to establish minimum thresholds for certain regulated activities, anything over which would need to be licensed. The type of scheme and its size and structure may also be a relevant factor. Further details on these matters will be included in subsequent consultation documents.

3.1.5 Acting as Both Trustee and Administrator

One respondent sought clarification on whether the same entity could act as both trustee and administrator under a single licence.

Authority Response

The Authority confirms that it is proposed that this will be permitted under the revised regime.

3.2 RBSA00 Regulatory Framework for Pension Schemes

3.2.1 Regulation of Retirement Benefits Schemes / Pension Schemes

Pension schemes will remain regulated under the RBSA00.

3.2.2 Registration Requirements

One respondent provided positive feedback on the proposed amendments to section 1 RBSA00, which would clarify that a scheme is subject to registration requirements upon the receipt of transfers into a scheme.

3.2.3 Definition of "Administrator"

The draft Bill proposed a revised definition of 'administrator' under the RBSA00, which is intended to clarify the role and responsibilities of administrators of retirement benefits schemes under the regulatory framework.

Some respondents expressed concern that the revised definition, when read alongside the licensing requirement in section 3(1)(c)(iv)(C) RBSA00, could inadvertently require third-party administrators (particularly large UK or international firms) to obtain an Isle of Man financial services licence. Those respondents said this could disrupt existing outsourcing arrangements, reduce the pool of available expertise in pensions administration and place unsustainable burdens on local administrators.

Authority Response

The Authority acknowledges these concerns and agrees that the definition must be sufficiently flexible to accommodate outsourcing models, where appropriate. The intention is not to require every service provider involved in administrative tasks to be licensed, but rather to ensure there is an Isle of Man-based, FSA08-licensed administrator with ultimate responsibility for scheme administration.

To address this, the definition of 'administrator' in the Bill has been amended to include a regulation-making power enabling the Authority to exempt certain persons or classes of persons from the definition (see [Appendix B, c.56](#)). This would enable the secondary legislation to carve out specified outsourced service providers acting under the direction of an FSA08-licensed administrator², while preserving appropriate regulatory oversight and accountability. The Bill has also been amended to provide that such regulations are subject to Tynwald approval (see [Appendix B, c.52](#)).

The Authority will engage further with pension providers and other stakeholders in the development of appropriate regulatory exemptions and guidance to support implementation and maintain continuity in scheme administration.

3.2.4 Status of Guidance

It is standard practice for courts and tribunals to consider relevant guidance. However, several respondents expressed concerns about mandating this under section 25A(3) RBSA00, noting that such guidance is not subject to public consultation or Tynwald procedure.

Authority Response

In light of the consultation feedback, subsection (3) in section 25A RBSA00 has been omitted. This change ensures that it remains at the discretion of the judiciary to determine whether it is appropriate to take guidance into account (see [Appendix C, Row 20](#)).

² For example, such an exemption could potentially be similar to the exemption in paragraph 5.8 (administrator for licenceholder) of Schedule 1 to the [Financial Services \(Exemption\) Regulations 2011](#): "In relation to a regulated activity falling within paragraph (2) of class 5, section 4 does not apply to a person who carries on the activity on behalf of, and under the direction of, a person licensed to carry on that activity."

3.3 Scheme Authorisation and Lifecycle

3.3.1 Applications

Section 2 (as prospectively amended) allows scheme applications to be made by either a trustee or administrator, expanding flexibility.

The revised provisions would also provide the flexibility to tailor application contents according to the nature and risk profile of different types of schemes, which in turn facilitates a more proportionate, risk-based approach.

One respondent sought clarity on matters relating to the compliance declaration, including the content, format and timing thereof. The Authority confirms in relation to such declarations:

- Standard template(s) will be issued, and they may be similar to those used for collective investment schemes.
- Where a declaration is required, it could, for example, require confirmation that the scheme satisfies the conditions applicable to it under section 3.
- Supporting documentation relating to the declaration must be available to demonstrate compliance if requested by the Authority. A new power to take regulatory action for failing to comply with this requirement has been included at the end of section 2 (see [Appendix B, c.5](#)).
- The persons signing the declaration must ensure that it is accurate. False or misleading statements would be subject to section 46 RBSA00.

Authority Response

For the avoidance of doubt, existing authorised schemes will not be required to reapply for continued authorisation under the revised provisions of section 2 RBSA00. However, they must continue to meet the authorisation requirements set out in section 3 RBSA00 on an ongoing basis, subject to any prescribed exemptions or modifications.

The Authority welcomes support for the amendment allowing administrators, in addition to trustees, to submit applications. The Authority also notes positive feedback on the requirement for both information and documents, and the explicit power to require declarations and supporting documentation.

3.3.2 Authorisation Criteria and Process

Section 3 RBSA00 (as prospectively amended) sets out the conditions and procedure for authorisation.

One respondent sought clarification on whether mixed trustee structures would be permitted.

Authority Response

The Authority confirms that combinations of individual and corporate trustees would be allowed and are common in practice (subject to compliance with the proposed licensing requirements).

One respondent queried whether the RBSA00 should be amended to reflect the requirement for international schemes to have a principal (rather than sole) purpose of providing relevant benefits.

Authority Response

The RBSA00 does not distinguish between international and domestic schemes, which are sub-categories of authorised schemes as defined in regulations made under that Act. The requirement for schemes to be ‘bona fide established for the sole purpose’ of providing relevant benefits will be interpreted in accordance with existing regulations, which permit a principal purpose in the case of international schemes.

One respondent queried the effect of section 3(3) RBSA00 (as prospectively amended) in the context of schemes subject to registration under the RBSA00.

Authority Response

This provision allows schemes to be registered even if all or a significant proportion of members are outside the Island (e.g. international schemes). This would not be a new requirement, but rather a restatement of an existing provision currently found in section 3(9) RBSA00. The revised wording is intended to improve clarity but is not considered to introduce any material change to the legal position or introduce any changes to the scope of schemes that are subject to registration under the RBSA00.

One respondent suggested that decisions on applications for authorisation should be subject to a statutory timeframe.

Authority Response

While there is no statutory timeframe under the RBSA00 at present, the Authority intends to publish expected timeframes under its service standards, ensuring consistency with other regulatory Acts, such as the FSA08.³

³ For example, the [Licensing Policy for Regulated Activities under the FSA08](#) provides that: “The Authority’s current service standard for processing an application, from receipt of a complete application to a decision from the Authority, is 6 months. However, this service standard applies to an application with which there are no major difficulties concerning the applicant or persons connected with the applicant.”

3.3.3 Scheme Constitution

The Bill would amend section 3 RBSA00 to enable authorised schemes to be established either under irrevocable trust or in such other manner as may be specified in an order made by the Treasury.

The purpose of this amendment is to enable the introduction of greater flexibility in scheme constitution in future to cater for international pensions in jurisdictions where trusts are not recognised and enable the use of suitable alternative legal structures (for example, potentially Isle of Man foundations). This may help to support the continued development of the Isle of Man's pensions sector, and these changes were widely supported by consultation respondents.

3.3.4 Scheme Fees

Several respondents expressed concerns regarding the potential introduction of scheme-level fees, particularly registration fees and scheme return fees, and the negative impact that this could have on the Isle of Man's pensions sector.

Authority Response

The Authority acknowledges the importance of maintaining the Isle of Man's local pension development, as well as its competitiveness in the international pensions market. However, the proposed enabling power largely consolidates and clarifies the existing powers already set out in the RBSA00 (including the fee enabling powers in section 51(1)(b) RBSA00). The powers are intentionally broad to allow flexibility in the future; however, this does not imply that any fees will necessarily be imposed in relation to the matters specified. For example, there is no current intention to impose fees for scheme returns.

Any future proposals to introduce or amend fees will be subject to consultation⁴ and careful impact assessment, including benchmarking against comparable jurisdictions. Any proposals would also consider the extent of regulation under the RBSA00 for different types of pension arrangements and licenceholder fees payable under the FSA08. The Authority will work closely with pension service providers and other stakeholders to ensure that any future fee structures are fair, proportionate and support the continued development of the Isle of Man's pensions sector.

3.3.5 Revocation of Authorisation

One respondent noted the proposed changes to section 4 RBSA00 were generally helpful.

Another respondent queried whether the scope of revocation grounds under section 4(1)(c) RBSA00 should be extended to capture other breaches, such as breaches of trust law and common law.

Authority Response

⁴ The Bill would amend section 51 to include a statutory duty to consult on all secondary legislation under the RBSA00.

This would require careful consideration and further consultation. As such, this suggestion has not been taken forward at this time.

A further respondent queried why decisions under section 4(5) RBSA00 were not subject to notice and appeal provisions.

Authority Response

The Authority has subsequently amended the Bill to address this (see [Appendix B, c.7](#)).

3.4 Scheme Reporting and Disclosure Obligations

3.4.1 Scheme Returns

The draft Bill would introduce a new power in section 15A RBSA00 for the Authority to require trustees and administrators of certain authorised schemes to submit a 'scheme return' at prescribed intervals. The revised provisions are designed to provide flexibility and proportionality, allowing the Authority to tailor the reporting requirements to the risk profile and complexity of different scheme types. This approach supports efficient regulation while reducing unnecessary administrative burdens.

Respondents highlighted the potential for duplication of reporting requirements, particularly where schemes are already subject to regulatory oversight in other jurisdictions. A suggestion was made to consider 'passporting' or equivalence-based exemptions to avoid unnecessary duplication.

Authority Response

The Authority acknowledges the concern regarding potential duplication of reporting obligations, and the flexibility built into section 15A RBSA00 allows for such matters to be explored during the development of the associated regulations.

The feasibility of recognising broadly equivalent reporting regimes in other jurisdictions will be considered, provided this would not compromise the Authority's effective supervisory oversight or the protection of scheme members.

Some respondents noted the absence of detail regarding the content of scheme returns, which made it difficult to provide substantive feedback on the proposal.

Authority Response

The Authority recognises the importance of clarity and transparency in regulatory requirements. Section 15A RBSA00 has been deliberately drafted to provide a flexible framework, enabling reporting requirements to be tailored to the size, nature and risk profile of different scheme types. The proposed scheme return framework will also be informed by engagement with pension service providers and other stakeholders.

Concerns were raised about the potential increase in workload for trustees and administrators, particularly where reporting overlaps with obligations under the FSA08. Respondents emphasised the need for proportionality, realistic deadlines and avoidance of duplication.

Authority Response

The application, content and frequency of scheme returns will be developed in consultation with pension service providers and other stakeholders. The Authority intends to ensure any information required under the relevant provisions serves a clear regulatory purpose taking into account both the reporting requirements under the FSA08 and the RBSA00.

The Authority is committed to ensuring all reporting requirements are proportionate, effective and efficient. The Authority will work to streamline reporting obligations across both the RBSA00 and the FSA08, with the objective of reducing compliance burdens where appropriate.

3.4.2 Scheme Accounts

The Authority acknowledges the practical challenges highlighted by respondents in relation to meeting the six-month timeframe for obtaining accounts under section 15 RBSA00.

Authority Response

While the six-month period reflects current requirements in the RBSA00, the draft Bill has been amended in response to consultation feedback to allow the timeframe to be prescribed in regulations (see [Appendix C, Row 16](#)). This proposed change is intended to introduce a degree of flexibility to accommodate different scheme types and operational realities and ensures that future adjustments could, if appropriate, be made without the need to modify primary legislation.

One respondent sought clarification on the use of the term ‘obtain’ in the revised section 15 RBSA00, particularly whether this implies accounts must be signed off and finalised within the relevant period.

Authority Response

The Authority confirms that the requirement is to ensure that the scheme accounts are prepared, signed off and available within the relevant period.

Another respondent raised concerns regarding the audit requirements in secondary legislation, particularly in relation to certain types of small schemes.

Authority Response

Audit requirements and associated exemptions are set out in secondary legislation and are not addressed in the draft Bill. However, the Authority acknowledges the concerns raised and confirms the existing audit provisions in secondary legislation will be considered as part

of the broader update to the regulatory framework under the RBSA00. This will also include consultation with pension service providers and other stakeholders.

A further respondent requested confirmation that existing exemptions (e.g. for schemes invested solely in insurance policies) would be retained.

Authority Response

The Authority confirms there is currently no intention to remove existing exemptions, such as those under regulation 12(2) of the Retirement Benefits Schemes (Domestic Schemes) (General Administration) Regulations 2004. However, these may be reviewed as part of the wider framework development.

Some respondents welcomed the move away from mandatory submission of scheme accounts to the Authority, noting this aligns with a more proportionate and risk-based approach. It was also noted that submission of scheme accounts may still be required under section 15A RBSA00 for certain scheme types, which was supported.

3.4.3 Disclosure of Information

The Authority consulted on the proposed introduction of a new section 15B RBSA00 concerning the disclosure of information by trustees and administrators of authorised schemes. The proposed provision would establish a framework for the preparation and provision of an annual report, as well as other prescribed information to be disclosed to members and other 'eligible persons'.

Therefore, the RBSA00 would have the following three separate sections, each serving distinct purposes:

- **Accounts** – Requirement to obtain **scheme accounts** (section 15);
- **Reporting** – Flexible provisions for **reporting to the Authority** (section 15A); and
- **Disclosure** – Provisions for **disclosure to members and beneficiaries** (section 15B).

The following table provides a summary of the current disclosure of information provisions:

| Category | Regulation | Requirement |
|-------------------------|---|---|
| Domestic schemes | Regulation 5(2) and (3) – Retirement Benefits Schemes (Domestic Schemes) (General Administration) Regulations 2004 ⁵ | <ul style="list-style-type: none"> • Information that must currently be provided to the Authority in an 'annual report' under regulation 5(1) must also be provided to an 'eligible person' (e.g. member or beneficiary) on request. |
| | Occupational Pension Schemes (Disclosure of Information) Regulations | <ul style="list-style-type: none"> • Domestic schemes are also subject to disclosure of information requirements in Treasury's Occupational Pension Schemes (Disclosure of |

⁵ <https://www.iomfsa.im/media/1484/sd58904140801amended.pdf>

| Category | Regulation | Requirement |
|------------------------------|---|--|
| | 1996 as applied in the Island (SD192/98) ⁶ | Information) Regulations 1996 as they apply in the Island (SD 192/98). However, regulation 6 has not been applied to avoid duplication with regulation 5 of the Domestic Regulations under the RBSA00 (summarised above). |
| International schemes | Regulations 5, 16, 22 – Retirement Benefits Schemes (International Schemes) Regulations 2001 ⁷ | <ul style="list-style-type: none"> • Broadly equivalent provisions to those in the above regulations are set out in the regulations for international schemes. These provisions set out which information must be disclosed to members and other ‘eligible persons’ as defined in those regulations and when it must be provided. |

Respondents sought clarification on the scope and content of the annual report, and whether it would duplicate existing requirements under UK pensions legislation applied in the Island.⁸

Authority Response

The Authority confirms there is no intention to materially change the current disclosure regime in regulations under the RBSA00.

The five-year request window and two-month response period reflect UK standards; however, the Bill has been amended to allow these periods to be prescribed in regulations to ensure sufficient legislative flexibility in this regard.

The disclosure of information provisions under the RBSA00 are all currently contained in secondary legislation. To ensure the primary legislation provisions are sufficiently flexible and reduce the risk of any inappropriate duplication of disclosure obligations, the Bill has been amended to enable the Authority to prescribe the categories of schemes that the disclosure requirements under the RBSA00 will apply to, and the associated timeframes (see [Appendix C, Row 17](#)).

3.4.4 Payment Schedules

A respondent queried the appropriateness of requiring payment contribution schedules in cases where an employer redirects contributions into an individual employee’s private SIPP (Self-Invested Personal Pension), suggesting that such arrangements may not warrant the same level of oversight as bulk contributions to occupational or group personal pension schemes.

Authority Response

The Authority notes section 11 RBSA00 is not being amended by the Bill apart from changes to the enabling power to:

⁶ [Occupational Pension Schemes \(Disclosure of Information\) Regulations 1996](#)

⁷ <https://www.iomfsa.im/media/1488/sd64501140801amended.pdf>

⁸ [social-security-legislation-contents-111125_compressed.pdf](#)

- Provide that the Authority may make regulations under that section; and
- Include a power for the Authority to take regulatory action for breaches (rather than breaches constituting a criminal offence or regulatory options being limited to civil penalties).

The Consultation did not cover proposals in relation to secondary legislation.

The above being said, the Authority confirms that, where employer payment arrangements are in place, trustees are required to establish a payment schedule unless all members of the scheme are also trustees.

This requirement is fundamental to ensuring proper oversight of contributions, fulfilling trustees' fiduciary duties and protecting scheme members. Payment schedules help to prevent errors, particularly those arising from payroll changes, and provide a mechanism for identifying and correcting missed payments. They also serve as a safeguard in cases where employers experience financial difficulty and may delay or withhold contributions. Without such monitoring, members could suffer financial loss with limited recourse, and the Authority's ability to protect members and uphold confidence in the Island's pensions framework could be compromised.

The Authority emphasises that payment schedules are not prescriptive and allow for flexibility in their application.

3.4.5 Professional Advisers

The existing provisions in the RBSA00 place the duty to appoint professional advisers solely on the scheme trustees. The proposed amendment sought to broaden this duty to include administrators, requiring joint agreement on appointments and terms. However, one respondent raised concerns about potential conflicts with trust deeds, which typically vest such powers in trustees alone.

Authority Response

In response to this feedback, the Bill has been revised to restore the trustee's sole authority to make appointments under section 17(1) RBSA00. A new subsection has been introduced requiring trustees to consult administrators before making such appointments (see [Appendix C, Row 18](#)). This approach preserves the trustee's legal authority while ensuring administrators have a formal opportunity to contribute to the process. It also aligns with similar consultative provisions elsewhere in the Bill, such as provisions in section 7B(5) RBSA00.

Another respondent sought confirmation that existing exemptions (such as those applying to earmarked personal pension schemes) would remain unchanged.

Authority Response

The Authority confirms there is currently no intention to alter these exemptions under the revised section 17 RBSA00, although these may be reviewed as part of the wider framework development.

3.4.6 Notifiable Events

One respondent requested clarity on the timeframe for notifying relevant events to the Authority under the proposed section 18 RBSA00, and the timeframe for the Authority to respond to notifications, suggesting statutory deadlines to avoid delays.

Authority Response

Notice periods will be prescribed under section 18(4) RBSA00 and some events may not require prior consent or a response from the Authority. The statutory provisions provide the flexibility to enable these matters to be prescribed in regulations to appropriately reflect the nature of different scheme-related changes.

Published service standards will also be considered to provide greater certainty around expected timeframes for responses from the Authority in cases where a response is required.

3.5 Governance and Fitness & Propriety

3.5.1 Automatic Disqualification

The Bill would introduce a new section 17A RBSA00, establishing automatic disqualification criteria for trustees and administrators of authorised schemes. This measure is intended to ensure individuals and entities involved in scheme management and administration are fit and proper, thereby enhancing consumer protection and scheme integrity.

The rationale for this provision is to safeguard pension scheme members by preventing individuals with serious integrity or financial issues, such as unspent dishonesty convictions or undischarged bankruptcies, from acting in key governance roles. The provision is modelled on UK legislation and includes a waiver mechanism to ensure flexibility and fairness.

One respondent raised several points regarding the scope and implementation of the proposed disqualification provision.

Authority Response

The Authority has considered the consultation responses carefully and responds as follows:

- While expansion of disqualification grounds to include regulatory breaches was suggested, existing legislation provides appropriate mechanisms for such matters. This suggestion may be revisited in future.
- Disqualification takes effect immediately, consistent with UK practice. The Authority may issue guidance to support awareness and implementation.
- A public register of disqualified persons is not being pursued at this time due to privacy considerations and existing oversight mechanisms, but this may be reconsidered in future.
- The provision applies to administrators as well as trustees, reflecting the practical realities of scheme governance. Regulatory exemptions may be considered where appropriate.

- The Authority retains discretion to waive disqualification and impose conditions, ensuring a proportionate and risk-based approach.

3.5.2 Knowledge and Understanding

The proposed new section introduces a statutory duty for trustees and administrators of authorised schemes to:

- Be conversant with scheme documents and policies.
- Possess knowledge and understanding of pensions and trust law.
- Apply these requirements to both individuals and corporate bodies acting in these roles.
- Allow for regulatory flexibility through regulations that may modify or disapply the requirements in certain cases.

This provision is modelled on sections 247–249 of the UK’s Pensions Act 2004⁹, reflecting a move toward formalising competence standards for persons operating Isle of Man regulated pension schemes.

One respondent welcomed the proposal to introduce statutory knowledge and understanding requirements for trustees and administrators, noting that evidencing compliance should not impose undue cost or administrative burden.

Authority Response

The Authority believes that the effectiveness of this provision depends on proportionate implementation. It is anticipated that current professional trustees and administrators will already meet these standards, or largely so, in order to fulfil existing trust law and contractual obligations and mitigate litigation risk. Therefore, the new requirements are not expected to significantly increase compliance burdens for most schemes.

Several respondents sought greater clarity on how compliance with the new knowledge and understanding requirements would be monitored and enforced, and whether obligations such as continuing professional development (‘CPD’) or record-keeping would be introduced.

Authority Response

The Authority acknowledges the importance of clarity and consistency in regulatory expectations. As the framework develops, the Authority will consider issuing guidance to support trustees and administrators in meeting the new requirements.

Any enforcement action would be risk-based and tailored to the nature of the scheme. For example, it may be anticipated that where a lack of knowledge is considered to present a risk to members’ interests, the Authority may issue directions requiring appropriate training to be undertaken. Where such matters remain unresolved, the Authority could, for

⁹ <https://www.legislation.gov.uk/ukpga/2004/35/contents>

example, seek court intervention under section 33 RBSA00 for the removal and replacement of the relevant scheme trustee(s) and/or administrator.

One respondent sought clarity on who determines the suitability of lay scheme functionaries, given the new knowledge and understanding requirements under section 17B RBSA00.

Authority Response

Trustees are already subject to fiduciary and statutory duties under trust law, in addition to the duties imposed on trustees and administrators in/under the RBSA00. Therefore, the onus is on persons acting as trustees and administrators of pension schemes (whether lay persons or professional pension providers) to ensure they possess sufficient knowledge and experience in order to discharge their responsibilities effectively.

3.5.3 Fitness & Propriety Assessments

One respondent queried the rationale for discretionary powers to assess fitness and propriety under section 19 RBSA00, as assessments for FSA08 licenceholders would also be carried out under the FSA08. That respondent also questioned the burden of proof being placed on individuals and raised concerns about immediate directions. Another respondent queried whether guidance would be issued as to the circumstances when such assessments would be made.

Authority Response

Some pension scheme trustees and administrators are lay persons that would be outside the scope of the FSA08 (e.g. by not acting by way of business). As such, there needs to be a mechanism under the RBSA00 to assess the F&P of all scheme trustees and administrators. F&P could, for example, be assessed where breaches of the RBSA00 indicate potential issues regarding the competency of the scheme functionaries to effectively manage and administer the scheme. The Authority will consider issuing F&P guidance under section 19 RBSA00.

Section 19 RBSA00 would put the burden of proof on the person concerned to satisfy the Authority that the person is fit and proper, and this would harmonise the F&P provisions across the regulatory Acts (for example, under section 7 IA08, in addition to section 10 FSA08 and section 11A CISA08, as prospectively amended by the Financial Services (Miscellaneous Provisions) Bill.¹⁰

Decisions under section 19 RBSA00 would usually be subject to prior notice, and the position remains the same as under the current version of section 19 RBSA00, as well as being consistent with other regulatory Acts (e.g. see section 10(5) FSA08). There is also a corresponding right of appeal under section 38(3) RBSA00.

One respondent queried whether compliance with UK FCA F&P requirements for UK corporate trustees could be accepted to avoid duplicate assessments under Isle of Man rules.

¹⁰ <https://consult.gov.im/financial-services-authority/financial-services-miscellaneous-provisions-bill/>

Authority Response

The Authority cannot place reliance on assessments made by another regulator, as it does not have access to the underlying information on which those decisions are based. Doing so could also conflict with the Authority's statutory obligations. Therefore, the Authority must undertake its own assessment to ensure compliance with Isle of Man regulatory requirements.

One respondent queried whether section 19 RBSA00 extends to directors of companies which are corporate directors of trustee entities, and whether the suitability of a corporate director would be assessed at the corporate level.

Authority Response

The provisions in section 19(2)(b) of the draft Bill are intended to capture directors of corporate trustees and administrators. In addition, FSA08 licenceholders may not generally have corporate directors¹¹, and the definition of 'key person' in that Act extends to 'such persons as a licenceholder or an applicant to be a licenceholder arranges to be officers of a body corporate that is itself a director of another body corporate.'

3.5.4 Scheme Governance

The Bill would introduce a new section 17C RBSA00, requiring trustees and administrators of authorised schemes to establish and operate an effective system of governance, including internal controls. The rationale for the proposed provision is to enhance consumer protection and ensure pension schemes are managed in a sound and transparent manner. The proposed requirement is designed to be proportionate, recognising the diversity of scheme types and sizes, and reflects best practice as seen in jurisdictions such as the UK.

Respondents broadly welcomed the proposal, with some expressing concern about potential compliance burdens.

Authority Response

The Authority acknowledges the concern and notes that scheme trustees and administrators may already operate effective governance systems.

The new provision is intended to formalise existing good practice, and the in-built proportionality aims to minimise additional burdens. Therefore, it is anticipated that the impact of the new requirement will be minimal in practice.

The Authority also acknowledges the requests for supporting guidance and confirms that it intends to issue regulations and/or guidance to assist trustees and administrators in meeting the new obligations in due course.

¹¹ See rule 8.24(2) of the Financial Services Rule Book 2016: "(2) All directors of a licenceholder must be natural persons."

3.5.5 Information and Advice

The draft Bill proposes to amend the powers to publish information or give advice in section 42(1)(a) RBSA00 to expand the scope of persons about whom information and advice may be published – to expressly include employers and professional advisers.

The amendment is intended to:

- Reflect the reality that employers and professional advisers play key roles in relation to pension schemes.
- Enable the Authority to issue guidance and information relevant to these parties, particularly where it supports compliance or scheme member understanding.
- Provide a mechanism for non-enforcement-related publications, such as educational materials or information for members, without invoking formal public statement powers under the proposed new section 30A RBSA00.

One respondent: expressed concerns that the amendment extends the Authority's remit beyond regulated persons; suggested the publication of anonymised case studies or enforcement outcomes instead; and requested clarity on notice and appeal provisions.

Authority Response

The proposed amendment to section 42 RBSA00 clarifies that the Authority may publish information and advice in relation to employers and professional advisers. These parties have legal obligations under the RBSA00 and play a significant role in scheme governance. The amendment does not extend enforcement powers to these parties, but rather supports transparency and member protection through information and educational materials.

Section 42 RBSA00 would not generally be used in an enforcement context. Where enforcement action is appropriate, the Authority would use section 30A RBSA00 (public statements) or other statutory powers. Section 42 RBSA00 is intended to facilitate the publication of helpful, non-binding information, such as the example previously published in relation to the British Regional Airlines Group Pension Scheme¹².

As section 42 RBSA00 does not impose sanctions or determinations, formal notice or appeal provisions do not apply. However, the Authority will, where appropriate, engage with affected parties prior to publication.

The Authority welcomes the suggestion to publish anonymised case studies and will consider this as part of its broader communications strategy. Such publications could enhance understanding and promote good practice across the pensions sector.

¹² <https://www.iomfsa.im/fsa-news/2020/mar/british-regional-airlines-group-pension-scheme/>

3.6 Supervision and Enforcement

3.6.1 Inspection and Investigation Powers

The proposed regulatory inspection and investigation powers in sections 34A–34G RBSA00 are broadly aligned with those in the UK’s Pensions Act 2004.¹³ The powers are limited to obtaining information relevant to the Authority’s functions under the RBSA00. These powers are intended to strengthen the Authority’s ability to supervise registered schemes.

The UK regime allows The Pensions Regulator (‘TPR’)¹⁴ to:

- Request information from any person reasonably believed to hold relevant data.
- Conduct inspections.
- Retain documents for investigation.
- Impose penalties for non-compliance.

One respondent expressed its view that:

- The scope of obliged persons under section 34A(2)(b) and (d) was too broad.
- Sections 34B–34D were overly harsh, with calls for court supervision before entry or document seizure.
- Section 34E penalties were severe for a process not overseen by the courts.
- Section 34F immediate inspections was seen as requiring additional safeguards.

Authority Response

The scope of persons subject to these powers mirrors the UK approach, which includes trustees, employers, advisers and others reasonably believed to hold relevant information.

The UK equivalent provisions to sections 34B–34D RBSA00 do not require court supervision for inspections or document retention. In the UK, the regulator exercises these powers directly, subject to internal governance processes, relevance to its functions, and proportionality. The relevant powers in the Bill are also broadly equivalent to powers in Schedule 2 to the FSA08.

The provisions in section 34E are broadly equivalent to provisions in paragraphs 1(4) and 3(8) of Schedule 2 to the FSA08 and section 77 of the UK’s Pensions Act 2004. In the Isle of Man, the Prosecutions Division of the Attorney General’s Chambers is responsible for prosecuting criminal offences on behalf of His Majesty’s Attorney General. There are two stages in any decision to prosecute:

1. The first stage is the Evidential Test; and
2. The second stage is the Public Interest Test¹⁵.

Section 34F RBSA00 requires a warrant issued by a Justice of the Peace for the exercise of certain powers by the Authority – this provides an additional safeguard.

¹³ Particularly section 72 (power to require information); sections 73–75 (powers of inspection and document retention); and section 76 (offences and penalties for non-compliance)

¹⁴ <https://www.thepensionsregulator.gov.uk/en>

¹⁵ <https://www.gov.im/media/1359465/prosecution-code.pdf>

The respondent also requested clarification on whether the reference to ‘provisions’ in section 34B RBSA00 refers to scheme rules or statutory requirements and also raised concerns about enforceability across jurisdictions.

Authority Response

The term ‘provisions’ refers to requirements in, or under, the RBSA00 and the Bill has been amended to clarify this (see [Appendix C, Row 23](#)).

Cross-border enforcement remains unchanged from current practice.

The respondent also suggested that minimum timeframes should be specified to allow for the provision of information.

Authority Response

The UK TPR does not impose statutory minimum timeframes for providing information. Instead, it gives a reasonable period of notice, considering the complexity and accessibility of the information requested. While no statutory minimum timeframes are imposed by the Bill, the Authority intends to adopt a similar approach to its UK counterpart and apply a reasonable period for compliance, taking into account the nature and complexity of the request.

Another respondent noted that the ‘new provisions under sections 34A to 34G are more explicit and robust in terms of the range of powers that the Authority has articulated in respect of relevant persons’ and queried whether any guidance would be issued on how the Authority will exercise these powers, and whether trustees may reasonably refer to UK guidance in the interim.

Authority Response

The Authority intends to issue guidance on the exercise of these powers once they have been brought into effect by an Appointed Day Order. In the meantime, where considered necessary, reference could be made to UK guidance on sections 72–79 of the UK’s Pensions Act 2004 as an indication of how equivalent provisions operate in the UK, noting that Isle of Man provisions may be tailored to the local legal framework.

A number of respondents also sought clarification on whether legal professional privilege (‘LPP’) would be protected, especially regarding trustees’ decision-making rationale and legal advice.

Authority Response

To address the consultation feedback in relation to LPP, the Bill has been amended to include a new section numbered 41A which explicitly protects legal professional privilege (copy below and see [Appendix C, Row 28](#)):

41A Privileged information

A person is not under an obligation under this Act to disclose any information subject to legal privilege within the meaning of section 13 (meaning of “items subject to legal privilege”) of the Police Powers and Procedures Act 1998.

The approach aligns with protections found in other Isle of Man regulatory Acts, such as the FSA08, and is broadly comparable to section 311 of the UK’s Pensions Act 2004.

3.6.2 Breach Reporting

The draft Bill proposed amendments to modernise and broaden the scope of section 41 RBSA00, including:

- Renaming the section to ‘duty to report breaches of the law’ to improve clarity.
- Expanding the list of persons subject to the duty to include:
 - Persons involved in the management or administration of a scheme;
 - Employers in relation to occupational schemes;
 - Persons advising trustees or administrators.
- Replacing the requirement to report ‘immediately’ with ‘as soon as reasonably practicable’.
- Clarifying that confidentiality agreements (commonly known as Non-Disclosure Agreements or ‘NDAs’) cannot override the duty to report.

Some respondents had concerns regarding the scope and clarity of the proposed changes:

- The inclusion of persons ‘otherwise involved’ in management or advising was considered too wide.
- Concerns were also raised that the revised section could inadvertently compromise LPP, particularly for legal advisers. It was also suggested that protections should extend to any person disclosing privileged information, not just legal advisers.

Authority Response

Following careful consideration of the consultation responses, the Bill has been amended to address the concerns raised (see [Appendix C, Row 27](#)). The duty to report under section 41(2) RBSA00 is now limited to those with those with a formal role and responsibilities in relation to pension schemes:

- Trustees
- Administrators
- Professional advisers (defined as actuaries, auditors and investment managers)
- Employers in relation to occupational schemes.

In addition, as noted above, a new section 41A RBSA00 has been introduced to clarify that no person is required to disclose information subject to LPP. This aligns with protections found in other Isle of Man legislation, such as section 40(3) FSA08. Consequential amendments have been made to section 41(3) RBSA00 to provide that it operates subject to the new section 41A RBSA00s.

The Authority is grateful to all respondents who engaged with the consultation process concerning these matters. The amendments made to section 41 RBSA00 reflect a balanced approach – strengthening the Authority’s oversight while respecting professional boundaries and legal protections. These changes aim to enhance the effectiveness of the whistleblowing framework, ensure clarity for regulated parties and uphold the integrity of the retirement benefits regime.

3.6.3 Warning Notices

The Authority consulted on the proposed introduction of a new section 19A RBSA00, which would enable the Authority to issue warning notices to individuals involved in the management or administration of authorised pension schemes.

One consultation respondent raised concerns about potential duplication with FSA08 powers, reputational risks from disclosure and the need for procedural safeguards.

Authority Response

For context, a warning notice under section 11 FSA08 may be issued to a person in a Controlled Function (e.g. a director, key person or controller) for a regulated entity where the Authority has grounds to believe that certain activities or circumstances (as specified in the notice) are prejudicial to the person’s fitness and propriety. A warning notice may require the person to take certain action, or propose action in response to the notice. A warning notice would typically be issued where something has come to light that raises material concerns over a person’s fitness and propriety, but where a more serious sanction (such as a direction that a person cannot be appointed to a certain role, or a prohibition on that person carrying on regulated activities) would not be appropriate in the circumstances.

Section 19A RBSA00 is intended to:

- Provide a mechanism for early engagement with scheme functionaries.
- Address concerns about competence or conduct before formal enforcement.
- Ensure regulatory coverage of lay trustees and administrators not subject to the FSA08.
- Promote transparency, proportionality and member protection.

The Authority considers the introduction of section 19A RBSA00 to be necessary and proportionate. It strengthens the Authority’s ability to engage with scheme functionaries and supports the overarching goal of protecting pension scheme members.

Disclosure provisions are discretionary and will be subject to internal governance and fairness principles.

The Authority has also amended the Bill to provide that warning notices under section 19A RBSA00 are subject to a right of appeal under section 38(3) RBSA00 – see [Appendix C, Row 25](#). This is broadly consistent with section 32 FSA08, which provides a right of appeal in connection with warning notices given under section 11 of that Act.

In addition, a minor change has been made to section 19A to clarify the meaning of “employment application” in the context of prospective controllers (see [Appendix C, Row 19](#)).

3.6.4 Court Applications

The current version of section 33 RBSA00 enables the Authority to remove and replace trustees or administrators by Order, a form of secondary legislation. The Authority considers this mechanism is not well-suited to decisions affecting individual schemes, and its use has previously been subject to legal challenge.

The Authority consulted on proposed amendments to section 33 RBSA00. The amendments aim to modernise the framework for the removal and replacement of pension scheme trustees and administrators, ensuring regulatory decisions are subject to judicial oversight and aligned with principles of fairness and proportionality.

The proposed amendments would:

- Require the Authority to apply to the High Court for removal or replacement of scheme functionaries.
- Ensure decisions are subject to judicial scrutiny, enhancing procedural fairness.
- Align with human rights obligations and civil procedure safeguards.

One respondent requested that the Authority considers the inclusion of a statutory timescale for the Authority to provide affected parties with advance notice and an opportunity to make representations prior to removal, as well as a defined appeal process.

Authority Response

The revised section 33 RBSA00 requires the Authority to apply to the High Court, which provides a robust framework for procedural fairness. The court process ensures:

- Affected parties are notified and given the opportunity to respond.
- Applications must be substantiated with evidence.
- The court may reject applications lacking merit.
- Decisions are subject to appeal and review under established civil procedure rules.

This approach avoids duplicating procedural safeguards already embedded in the judicial process and ensures proportionality and transparency.

Another respondent raised queries regarding the application of provisions relating to the vesting of trust property in the Trustee Act 1961 following court appointments under the revised section 33 RBSA00.

Authority Response

It is understood that the vesting powers under the Trustee Act 1961 would be available to the court in connection with orders made under section 33 RBSA00, without section 33 being amended to expressly reference those powers.

The respondent also raised concerns that the winding-up provisions in the revised version of section 33 RBSA00 may leave scheme property without a trustee, creating legal uncertainty.

Authority Response

The Authority agrees that the original drafting could create uncertainty. Consequently, the Bill has been amended to clarify that the court may direct the existing trustee(s) and administrator to wind up the scheme (see [Appendix C, Row 21](#)).

3.6.5 Civil Penalties

A number of respondents raised significant concerns regarding the proposed civil penalty provisions in section 50 RBSA00, including the proposed bar on indemnification.

Authority Response

The Authority acknowledges the concerns raised, and the Authority has removed the original clause 51 from the Bill with the intention of updating the civil penalty provisions in the RBSA00 through the Financial Services (Miscellaneous Provisions) Bill once that Bill is finalised (see [Appendix C, Row 30](#)).

A consequential amendment has also been made to section 51(11) RBSA00 to remove the Tynwald procedure in relation to civil penalty regulations in order to reflect the above (see [Appendix C, Row 31](#)) (this would be included in the Financial Services (Miscellaneous Provisions) Bill). Section 51(8) onwards has also been restructured to improve the clarity of the Tynwald procedure provisions; however, this restructuring does not introduce any material changes other than the changes outlined in this Feedback Statement (see this response and the responses in sections 3.2.3 and 3.7.9).

3.7 Defined Benefit ('DB') Scheme Funding and Technical Matters

3.7.1 Overview

The RBSA00 currently requires the trustees of DB schemes to appoint an actuary and submit actuarial valuations. However, the existing provisions in the RBSA00 governing DB funding matters (sections 7-10 and 13-14) were never brought into operation. Therefore, there is currently no statutory framework governing how valuations are prepared, how deficits are addressed or how schemes should respond to underfunding.

Through the Authority's ongoing supervisory engagement in relation to DB schemes, it is understood that most trustees and appointed actuaries have voluntarily followed UK DB funding standards, and the Authority currently monitors DB scheme funding levels based on submitted valuations.

Sections 7 to 10E of the draft Bill introduce a new statutory framework for the funding of DB pension schemes in the Isle of Man. These provisions are intended to replace existing DB funding provisions in the RBSA00 that have never been brought into operation. The new provisions are based on the more flexible DB requirements in Part 3 of the UK's Pensions Act 2004.

The introduction of a statutory funding regime is considered an important step toward strengthening scheme oversight and member protection in the Isle of Man.

Six respondents acknowledged the importance of ensuring DB schemes are appropriately funded to support the pension promise. However, seven respondents also expressed concerns regarding the compliance burden associated with the proposed new DB funding regime, and the increased costs for trustees, employers, actuaries and administrators.

3.7.2 Proportionality

Most respondents emphasised that implementation of the DB funding regime must be proportionate, especially given the Isle of Man's smaller scale and limited infrastructure compared to the UK.

To these ends, six respondents suggested exemptions for various arrangements, for example: schemes with fewer than 100 members; well-funded or closed schemes; and international schemes with different structures.

Authority Response

The Authority acknowledges the importance of proportionality and market sustainability.

The draft Bill has been designed to mirror the UK's framework while allowing for flexibility through supporting regulations. Where appropriate, the Authority intends to mirror UK exemptions and modifications, such as those available under UK regulations (e.g. S.I. 2005/3377¹⁶), subject to further consultation.

The Authority will consider the specific characteristics of certain schemes, such as international schemes, and assess whether tailored provisions are appropriate, recognising the Authority's statutory objectives to ensure adequate protection to members of pension schemes and maintaining the reputation of the Island.

Appropriate exemptions and modifications will help ensure the framework is proportionate and appropriately tailored to the local pensions landscape.

3.7.3 Regulations and Guidance

One respondent stated that the detail in DB funding regulations will need careful analysis.

Authority Response

¹⁶ The Occupational Pension Schemes (Scheme Funding) Regulations 2005: <https://www.legislation.gov.uk/uksi/2005/3377/contents>

The Bill would amend section 51 RBSA00 to include a statutory obligation for the Authority to consult on all regulations made under the RBSA00 (see section 51(6) in the Bill). This would help to ensure that the supporting regulations are practical and proportionate.

Many respondents also requested guidance on various aspects of the DB funding framework to support implementation.

Authority Response

The Authority acknowledges the importance of clear and consistent guidance. Guidance on various matters will be considered to support trustees.

3.7.4 Oversight and Resourcing

Concerns were raised about the Authority's capacity to monitor compliance with the new DB funding regime.

Authority Response

The Authority currently oversees approximately 30 DB / hybrid schemes. The Authority already monitors funding levels through actuarial valuations, and many schemes may voluntarily comply with UK standards.

Therefore, the new provisions are intended primarily to formalise existing practices and are not expected to require significant additional resources. As noted above, the Authority intends to consider mirroring UK exemptions and modifications to ensure proportionality and minimise compliance burdens.

3.7.5 Regulatory Expectations

Respondents requested confirmation that the Authority's expectations regarding funding levels and recovery plans will be proportionate, given that Isle of Man schemes are entering a statutory funding regime for the first time.

Questions were also raised about the rigidity of recovery plan timelines.

Authority Response

The Authority's expectations will be proportionate and context-sensitive. The Authority will consult on the development of guidance to support implementation.

Recovery plan timelines will be addressed in regulations and are expected to follow the UK's flexible approach, allowing for case-specific considerations such as employer covenant strength.

3.7.6 Regulatory Powers – Directions in Relation to Scheme Funding

A small number of respondents expressed concerns regarding the Authority's powers under section 10C RBSA00 and clarification was requested on the intended scope and safeguards associated with these powers.

Authority Response

The powers in section 10C RBSA00 are modelled on the UK framework and are intended to be used proportionately and with appropriate safeguards (such as notice provisions (see changes below), a right of appeal (see section 38(3)(h) in the Bill), and the Governance Referral Panel (which determines whether cases should be passed to Enforcement & Intelligence Division) and Case Review Panel (see the [Enforcement Decision-Making Process](#)¹⁷).

The power to require modification of future accruals is designed to protect members' interests where continued accrual may be unsustainable or inequitable.

Section 10C(9) RBSA00 provides flexibility to override procedural barriers where deemed necessary to protect scheme members or ensure compliance with statutory funding requirements. The Authority will consider issuing guidance to clarify the scope and application of these powers.

Concerns were raised that directions issued under section 10C RBSA00 lack procedural safeguards such as consultation or notice periods.

Authority Response

The Authority acknowledges the need for procedural clarity. The Bill has been amended to apply the notice provisions in section 32 RBSA00 to directions under section 10C (see [Appendix C, Row 13](#)). Directions under section 10C would also include timelines for compliance and would be subject to a right of appeal under section 38 (see section 38(3)(h) in the Bill).

3.7.7 Winding Up Procedures

One respondent questioned the requirement for a formal winding-up procedure under section 10D RBSA00, suggesting that resources should instead be focused on securing members' benefits.

Authority Response

The Authority considers that a structured winding-up procedure is essential to safeguard members' benefits. This approach is also consistent with regulatory expectations in other sectors, such as banking and insurance.

¹⁷ <https://www.iomfsa.im/enforcement/enforcement-action/>

Three respondents highlighted that the two-month timeframe for preparing a winding-up procedure is too short and may not allow sufficient time to assess the impact on accrued benefits, particularly in insolvency scenarios.

Authority Response

The Authority agrees that the original timeframe may be too restrictive. The draft Bill has been amended to remove the two-month long-stop, aligning with the UK's 'as soon as reasonably practicable' standard (see [Appendix C, Row 14](#)).

3.7.8 Employer Accountability

Respondents noted that section 10A RBSA00 imposes obligations on trustees to obtain employer agreement, but does not provide for regulatory action against employers that fail to engage.

One respondent also noted that the Isle of Man's employer debt regime is less developed than the UK's.

Authority Response

Directions under section 10C RBSA00 and civil penalty powers would provide a mechanism for intervention. In particular, sections 10A(2) and 10C(1)(j) would provide a mechanism for the Authority to intervene where agreement cannot be reached. The Authority would monitor the effectiveness of these tools and consider enhancements if necessary.

3.7.9 Modification Powers

A number of respondents raised queries regarding the safeguards in connection with section 10E RBSA00, which allows modification of primary legislation by regulations, with one respondent suggesting that these powers should be subject to Tynwald approval.

Authority Response

The Authority acknowledges the importance of legislative scrutiny. All regulations under the RBSA00 would be subject to a statutory duty to consult under the revised section 51 RBSA00 (see section 51(6) in the Bill). In response to consultation feedback, section 51 in the Bill has been amended to require Tynwald approval for regulations made under section 10E RBSA00 (see [Appendix C, Row 31](#)). This ensures the highest level of legislative oversight for secondary legislation.

3.7.10 Prescribed Periods

As well as the removal of the two-month long stop in section 10D, most of the timeframes in the DB funding provisions have been amended to allow them to be prescribed in regulations rather than being set out in the primary legislation. This ensures there is sufficient legislative flexibility to adjust these periods, where appropriate (see changes to section 8A(3) [Appendix](#)

[C, Row 10](#), 8B(7) [Appendix C, Row 11](#), 9(9) [Appendix C, Row 12](#) and 10D(6) [Appendix C, Row 15](#)).

3.7.11 Queries and Clarifications

Some respondents raised various queries or concerns in relation to aspects of the proposed new DB funding framework. The Authority has attempted to provide clarification on these matters in the table below.

| Section | Consultation Response Query | Authority Clarification |
|---------------|--|---|
| s.7 | One respondent requested clarification on the meaning of 'sufficient and appropriate assets' in section 7(2) RBSA00 and the employer's role in agreeing assumptions under section 7(6) RBSA00. | <ul style="list-style-type: none"> The Authority will consider issuing guidance on the meaning of 'sufficient and appropriate' assets. Employer agreement is addressed in section 10A RBSA00 and not repeated in section 7 RBSA00 to avoid duplication. This is consistent with UK drafting. |
| s.7A and s.7B | One respondent requested clarification on the term 'relevant date', employer consultation requirements and the relationship between sections 7A and 7B RBSA00. | <ul style="list-style-type: none"> The term 'relevant date' will be defined in regulations under section 7A(3) RBSA00. Employer agreement is addressed in section 10A RBSA00. This is consistent with UK drafting. Section 7A RBSA00 sets out the requirement for a funding and investment strategy. Section 7B RBSA00 requires that strategy to be documented and supplemented with additional governance information. The structure mirrors the UK approach and is not considered duplicative. |
| s.7B and s.7C | One respondent raised concerns about duplication, employer consultation requirements and compliance burdens. The respondent also queried whether there would be a prescribed format for the statement of funding principles to aid consistency across schemes. | <ul style="list-style-type: none"> The documents serve distinct purposes: section 7B RBSA00 requires a documented strategy, while section 7C RBSA00 sets out the principles underpinning funding decisions. Employer consultation is addressed in section 10A RBSA00. This is consistent with UK drafting. Supplemental matters in section 7B RBSA00 reflect standard governance expectations and are not expected to impose undue burdens. Prescribed formats are not proposed – this enables trustees to adopt formats suited to their schemes. |
| s.8A and s.8B | One respondent requested clarity on employer consultation and the detail to be provided in regulations. | <ul style="list-style-type: none"> Certification of technical provisions is an actuarial function and does not require employer agreement. |

| Section | Consultation Response Query | Authority Clarification |
|---------|--|---|
| | | <ul style="list-style-type: none"> • Employer agreement on recovery plans is addressed in section 10A RBSA00. • Supporting regulations will be subject to careful consideration and consultation. |
| s.9 | One respondent noted that the detail of requirements for the schedule of contributions will be set out in regulations and requested that these be carefully reviewed. | <ul style="list-style-type: none"> • The Authority acknowledges this point. • The detail will be provided in supporting regulations, which will be subject to consultation to ensure clarity and proportionality. |
| s.10A | One respondent queried whether exemptions would apply (e.g. for closed schemes), how agreement should be documented and what process would apply if employer agreement is not obtained. Concerns were raised about the impact on trustees' ability to act in members' interests. | <ul style="list-style-type: none"> • The Authority does not propose exemptions from employer agreement requirements. • As a matter of good legal and regulatory practice, agreement should be adequately documented and evidenced; silence would not constitute valid agreement. • Sections 10A(2) and 10C(1)(j) RBSA00 provide a mechanism for the Authority to intervene where agreement cannot be reached. • Guidance may be considered for schemes with complex employer structures, and the Authority will review whether further clarification is needed in regulations. |
| s.10B | One respondent queried whether trustees are required to follow actuarial advice, whether exemptions would apply for smaller schemes and whether employers must receive or agree to the advice. | <ul style="list-style-type: none"> • The Authority confirms that trustees would be required to obtain and consider actuarial advice, but would not be legally obliged to follow it. • However, trustees should have valid reasons for any departure from advice, and such decisions should be documented. • This approach mirrors UK practice and regulatory expectations. • The scheme actuary advises the trustees, not the employer, although employers may receive actuarial reports where agreement is required under section 10A RBSA00. • Exemptions for certain schemes (e.g. winding-up) will be considered in regulations. |
| s.10E | One respondent requested clarification as to whether the Bill's modification powers in section 10E RBSA00 are | <ul style="list-style-type: none"> • The general powers to amend the RBSA00 in connection with non-trust pension vehicles are contained in section |

| Section | Consultation Response Query | Authority Clarification |
|---------|---|--|
| | intended to accommodate non-trust pension structures. | <p>3(9) RBSA00 as prospectively amended by the Bill.</p> <ul style="list-style-type: none"> The powers in section 10E RBSA00 are intended to allow modifications similar to those in Schedule 2 to the UK's <i>Occupational Pension Schemes (Scheme Funding) Regulations 2005</i>.¹⁸ |

3.8 Other Matters

3.8.1 Feedback Referred to the Treasury

Clarification was sought on whether international retirement benefits schemes authorised under the RBSA00 are subject to requirements under the applied UK legislation.

Authority Response

The scope and application of UK pensions legislation applied in the Isle of Man falls within the remit of the Treasury. The feedback has been noted and passed to Treasury for its consideration. Any future clarification or legislative amendment in this area would be a matter for Treasury to determine.

Consultation feedback highlighted the difficulty of obtaining Isle of Man pension sharing orders where neither party to the divorce is resident in the Island and suggested that provision be made to recognise foreign pension sharing orders from equivalent jurisdictions.

Authority Response

This issue concerns the legal framework for pension sharing on divorce and the recognition of foreign orders, which is governed by legislation outside the scope of the RBSA00. The Authority has referred the feedback to Treasury.

One respondent queried whether the Isle of Man intends to follow the UK's proposed legislative changes allowing retrospective validation of amendments to formerly contracted-out schemes that may have been void due to procedural defects (e.g. failure to obtain actuarial confirmation under section 37 of the UK's Pension Schemes Act 1993¹⁹).

Authority Response

This issue relates to the Isle of Man's contracting-out legislation, which is also within the remit of Treasury. The Authority has shared this feedback with Treasury for its review and consideration in the context of any future legislative developments.

¹⁸ <https://www.legislation.gov.uk/uksi/2005/3377/contents>

¹⁹ <https://www.legislation.gov.uk/ukpga/1993/48/contents>

The Authority thanks respondents for raising these important issues. While they fall outside the scope of the current Bill, they have been noted and referred to Treasury for further consideration. Stakeholders will be kept informed of any developments in these areas through appropriate channels.

3.8.2 Scheme Register

Respondents expressed differing views on the accessibility of the scheme register under the RBSA00. Some welcomed the move to an electronic register. Others raised concerns about the proposed requirement for a 'reasonable request' to access register information, arguing that the register should be open to public inspection without justification, particularly given the legal requirement for schemes to be registered under the RBSA00.

Authority Response

The Authority acknowledges the importance of transparency and public confidence in the pensions regulatory framework. However, the Authority does not currently intend to publish the register of schemes. This approach is consistent with other jurisdictions, including the UK, where TPR does not maintain a publicly accessible register of pension schemes.

The draft provision aims to strike a balance between transparency and privacy. It allows for access to relevant information where appropriate (for example, as part of the due-diligence process), whilst ensuring that restricted information or personal data is not inappropriately disclosed.

The Authority has amended section 45 in the Bill to provide that a reasonable request would be construed in accordance with any guidance issues by the Authority, as well as amending the provision to provide that any additional information to be held on the register is to be prescribed in regulations for greater legal certainty (see [Appendix C, Row 29](#)). The Authority will keep this position under review and may expand access in future, subject to appropriate safeguards.

3.8.3 Pensions Ombudsman

The draft Bill contained provisions that would repeal section 39 RBSA00, which provides the power to appoint a Pensions Ombudsman.

One respondent queried whether section 39 RBSA00 should be repealed in light of concerns about the jurisdiction of the Pensions Ombudsman appointed under the UK's Pensions Schemes Act 1993²⁰ (as it applies in the Isle of Man) in relation to international schemes.

Authority Response

The Pensions Ombudsman appointed under the UK's Pensions Schemes Act 1993 (as it applies the Isle of Man) currently considers international schemes to fall within scope

²⁰ <https://www.legislation.gov.uk/ukpga/1993/48/contents>

where a sufficient connection exists. Redress may also be available under Schedule 4 to the FSA08.

However, in light of the consultation feedback, the draft Bill has been amended to remove the provision that would have repealed section 39 RBSA00 (see [Appendix C, Row 26](#)). This ensures that the power to appoint a Pensions Ombudsman under the RBSA00 remains available, if required in the future.

The Authority will continue to monitor the effectiveness of current dispute resolution arrangements and consider whether further legislative clarification is required in future. Stakeholders will be consulted on any proposed changes in connection with the Pensions Ombudsman provisions.

3.8.4 Enabling powers

The enabling powers in the table below have been amended post-consultation to reflect current drafting terminology. These changes are not material.

| Clause | Section | Amendment |
|--------|----------|---|
| 2(2) | N/A | An order under subsection (1) may make such consequential, incidental, supplemental and transitional provisions as appear to the Authority to be necessary or expedient for the purposes of the order. |
| 6 | 3(9) | (9) An order under subsection (1)(c)(i)(B) may include such consequential, incidental, transitory, transitional or supplemental provisions and as may appear to the Treasury to be necessary or expedient in consequence of or in connection with such an order, including the modification of or the amendment to other provisions of — (a) this Act; (b) the <i>Income Tax Act 1970</i> ; (c) the <i>Income Tax (Retirement Benefit Schemes) Act 1978</i> . |
| 9(3) | 6(7) | Regulations under this section may contain such incidental and transitional provisions as the Treasury thinks necessary or expedient <u>the Authority thinks necessary</u> . |
| 29(6) | 21(8) | An order under subsection (1) may contain such transitional provisions as the Treasury thinks necessary or expedient <u>the Authority thinks necessary</u> . |
| 51 | 51(1) | (1) The Authority may make such regulations as are necessary or desirable to give effect to this Act. |
| 51 | 51(2)(h) | (h) contain such transitional, consequential, incidental or supplementary provisions as appear to the Authority to be necessary or expedient for the purposes of the regulations. |

3.9 Other Clarifications and Technical Corrections

Some respondents raised various queries or concerns in relation to other aspects of the proposed new framework and the Authority has provided responses to these in [Appendix B \(Other Clarifications and Technical Corrections\)](#).

4. Outcome of Consultation and Resulting Actions

[Appendix C \(Post-Consultation Changes\)](#) sets out the changes that have been made to the draft Bill to address issues raised by consultation respondents.

The Authority thanks all respondents for their considered feedback on the proposed amendments to the RBSA00. The amendments aim to modernise the regulatory framework and support a proportionate, risk-based approach to scheme oversight.

The Authority will work closely with pension service providers and other stakeholders as the framework evolves, with particular focus on secondary legislation and transitional arrangements. All future secondary legislation will undergo public consultation to ensure the regime remains effective, proportionate and aligned with operational realities.

5. Impact Assessment

The overriding policy objective of the Draft Bill is to enhance the regulatory framework for pension services to increase consumer protection. Enhancing the regulatory framework will also help the Island to continue to meet international standards and safeguard the Island's reputation as a well-regulated financial services jurisdiction.

The most important changes proposed in the Draft Bill involve amendments to the RBSA00 to reflect the intention to bring pension providers under the regulatory scope of the FSA08. This would support the Authority's objective of protecting pension consumers by modernising and updating the current regulatory framework for pension providers. The Bill also seeks to address other regulatory matters, such as by introducing provisions related to DB scheme funding.

In addition, some provisions aim to make the regulatory framework more proportionate. For example:

- Amending the RBSA00 to allow the Authority to take a range of regulatory actions for certain contraventions, rather than treating them as criminal offences. This would facilitate a more proportionate regulatory response.
- Laying the foundation for a more risk-based approach to supervision by introducing changes to the RBSA00 that would provide greater flexibility in respect of application and reporting requirements. This would allow these obligations to be tailored to the nature and risk profile of different types of schemes and allow the requirements in relation to certain schemes to be streamlined – this would potentially reduce compliance burdens. It would also enable the Authority to allocate its resources more effectively and efficiently, in proportion to the risks involved.

The consultation provided stakeholders with an important opportunity to review the proposed changes and offer feedback to help ensure that the final legislation is both effective and proportionate.

In response to the consultation, the Authority has made various changes to the Bill.

6. Next Steps

Following consideration of responses to the consultation, the Authority plans to progress with the Revised Bill with the post-consultation changes detailed in this Feedback Statement.

The revised draft **Retirement Benefits Schemes (Amendment) Bill** is included in [Appendix D](#).

The proposed changes are also shown in [Appendix E \(Retirement Benefits Schemes Act 2000 \(As Amended\)\)](#). The 'as amended' version of the RBSA00 shows the changes as they would appear. This helps show the context of each amendment.

Care has been taken for this Feedback Statement to minimise drafting errors in the Revised Bill and 'as amended' version of the RBSA00, however they will be subject to final proofing work before the Revised Bill is finalised ready to enter the branches of Tynwald for the legislative process to begin.

7. Questions

In case of any other query on this Feedback Statement please contact —

Miss Sarah Galovics

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If you have a query in relation to how the related consultation was carried out, please contact the Authority's Policy & Risk Division by email at Policy@iomfsa.im or by telephone on +44 1624 646000.

Appendix A – List of Specific Recipients

- Alliance of Isle of Man Compliance Professionals
- Association of Corporate Service Providers
- Chartered Governance Institute (Isle of Man branch)
- Chartered Institute for Securities and Investment (Isle of Man branch)
- Finance Isle of Man
- Financial Planners & Insurance Brokers Association
- Institute of Directors (Isle of Man branch)
- Insurance Institute of the Isle of Man
- Isle of Man Association of Pension Scheme Providers
- Isle of Man Chamber of Commerce
- Isle of Man Government, Department for Enterprise
- Isle of Man Government, The Treasury
- Isle of Man Insurance Association
- Isle of Man Law Society
- Isle of Man Wealth & Fund Services Association
- Manx Actuarial Society
- Society of Trust and Estate Practitioners (Isle of Man branch).

Appendix B – Other Clarifications and Technical Corrections

| Row | RBSA00 Section | Summary of Consultation Response | Authority Response |
|-----|----------------|---|--|
| 1. | s.2(5) | One respondent noted that section 2(3) RBSA00 currently states additional information may be required 'before' determining an application. Whereas, the word 'before' is not included in the broadly equivalent provision in the Bill, i.e. section 2(5). | The Bill has been amended to reinstate the word 'before' in section 2(5) to eliminate the risk any unintended effects (see Appendix C, Row 1). |
| 2. | s.3(1)(a) | <p>One respondent noted that section 3(2) RBSA00 currently provides:</p> <p><i>'(2) A scheme is not qualified to be registered as an authorised scheme if it is of such class or description of scheme as is excluded from registration by regulations.'</i></p> <p>Whereas, the broadly equivalent provision in section 3(1)(a) in the Bill provides:</p> <p><i>'(a) the scheme must not be of such class or description as is excluded from registration by regulations under section 6;'</i></p> <p>The respondent queried whether the changes were legally effective.</p> | The Authority has subsequently amended the relevant provision to refer to regulations made under section 51 RBSA00 (see Appendix C, Row 3), as that is the section that includes the general enabling powers, consultation requirements and Tynwald procedures applicable to all subordinate legislation made under the RBSA00. |
| 3. | s.3(1)(c)(v) | One respondent queried whether the changes made to the disqualification bar in section 3 RBSA00 weaken the effect of that provision. | The Authority has made minor amendments to the relevant provision in the Bill to address the issue raised (see Appendix C, Row 4). |
| 4. | s.3(1)(d)(ii) | One respondent requested clarification on the reference to 'employees' in section 3(1)(d)(ii) in the Bill. | <p>Section 3(1)(d)(ii) in the Bill provides that an occupational scheme:</p> <p><i>'must be recognised as an occupational scheme by the employer and employees to whom it relates'</i></p> <p>The wording in the Bill is considered to be materially the same as the existing provision in section 3(8)(b) RBSA00:</p> <p><i>'the scheme is recognised by the employer and the employees to whom it relates.'</i></p> <p>No amendments to the relevant provision in the Bill have been proposed at this stage.</p> |

| Row | RBSA00 Section | Summary of Consultation Response | Authority Response |
|-----|----------------|---|--|
| 5. | s.3(1)(d)(iv) | One consultation respondent queried whether the revised wording may have an unintended effect (e.g. requiring all employers to contribute, even in respect of prospective members). | The relevant provision in the Bill was amended to make the wording closer to the existing wording in the RBSA00 to avoid any unintended consequences in this regard (see Appendix C, Row 5). |
| 6. | s.3(1)(d)(v) | One respondent requested details of the circumstances in which repayment of employee contributions will be permitted under regulations under section 3(1)(d)(v) RBSA00. | <p>The current provision in section 3 RBSA00 (section 3(8)(d)) and the prospective provision in substituted section 3 in the Bill (section 3(1)(d)(v)) are materially the same, save allowing the Authority to make the relevant regulations, rather than the Treasury.</p> <p>Regulations under the RBSA00 contain associated provisions regarding the repayment of employee contributions:</p> <ul style="list-style-type: none"> Regulation 11(8) of the Retirement Benefits Schemes (Domestic Schemes) (General Administration) Regulations 2004: <i>‘For the purpose of section 3(8)(d) of the Act (restrictions on the repayment of employee contributions), the constitutional documents of an occupational scheme may provide for the repayment of any contributions made to the scheme by a member where that member has no entitlement to short service benefits within the meaning of section 71 of the Pension Schemes Act 1993, as it has effect in the Island.’</i> Regulation 9 of the Retirement Benefits Schemes (International Schemes) Regulations 2001 contains more detailed provisions regarding the circumstances when employee contributions may and may not be repaid. <p>There are no planned changes to these provisions in regulations under the RBSA00, however this may be considered as the framework develops.</p> |
| 7. | s.3(8) | One respondent queried the rationale for the reference to regulatory action under FSA08 in section 3(8) RBSA00. | The reference to the FSA08 has been removed from this provision on the basis that action would be taken under the FSA08 in relation to contraventions under that Act (see Appendix C, Row 6) (noting that action could potentially be taken simultaneously under both the RBSA00 and |

| Row | RBSA00 Section | Summary of Consultation Response | Authority Response |
|-----|----------------|--|--|
| | | | FSA08 in cases where there have been contraventions under both regulatory Acts). |
| 8. | s.4(1) | A respondent queried the omission of the words 'of the scheme' after 'trustee or administrator' in the amended version of section 4(1) in the Bill and the potential legal implications of that change. | The words 'of the scheme' have been reinstated in the relevant provision in order to eliminate the risk of any unintended effects in this regard (see Appendix C, Row 7). |
| 9. | s.8(9) | A respondent queried whether section 8(9) RBSA00 should apply to the actuary as well as the trustee. | The Authority acknowledges that future regulations made under section 8(6) RBSA00 would impose duties on the actuary in connection with actuarial valuations. Therefore, section 8(9) RBSA00 has been amended to reflect that (see Appendix C, Row 8). |
| 10. | s.34A(2)(c) | One person queried whether the term 'direct payment arrangement' in section 34A RBSA00 should be amended to refer to the term 'employer payment arrangement' which is currently used in regulations under the RBSA00 (e.g. regulation 2 of the Retirement Benefits Schemes (Domestic Schemes) (General Administration) Regulations 2004). | The Authority subsequently made a minor amendment to the relevant provision to harmonise it with the existing terminology (see Appendix C, Row 22). See also the proposed new definition for the term 'employer payment arrangement' in section 54(6) RBSA00, which replicates the existing definition in regulations (see Appendix C, Row 33). |
| 11. | s.51 | One respondent queried whether the scope of the grounds under section 51 RBSA00 should be extended to capture other breaches, such as breaches of trust law and common law. | This would require careful consideration and further consultation. As such, this suggestion has not been taken forward at this time. |
| 12. | s.53 | A question was raised regarding the interaction between the pensions framework and the insurance framework, specifically regarding the definition of 'retirement benefits scheme' in the context of arrangements such as group life insurance contracts. | The Bill does not propose any changes to the existing definition of 'retirement benefits scheme,' other than enabling the Authority (rather than Treasury) to make regulations prescribing arrangements that do not constitute such schemes. The current exclusions and exemptions in the Retirement Benefits Schemes (Excepted Schemes) Regulations 2001 remain unchanged since 2014, and there is no intention to amend them at this time. However, the regulatory perimeter between the RBSA00, FSA08 and IA08 will be considered in the next phase of the project, when proposed |

| Row | RBSA00 Section | Summary of Consultation Response | Authority Response |
|-----|----------------|--|--|
| | | | changes to the Regulated Activities Order 2011 and the Financial Services (Exemption) Regulations 2011 are developed and consulted upon. |
| 13. | s.54 | One respondent queried whether the definition of ‘employer-related investments’ will remain consistent with existing regulations. | Yes, the definition will remain consistent with current regulations. A reference to ‘employer-related investments’ is being introduced into the RBSA00 as that term is referred to in section 30(2) RBSA00. The detailed definition will continue to be prescribed in regulations, as is currently the case. |
| 14. | N/A | One respondent queried whether guidance would be issued concerning the apportionment of liability between trustees and administrators. | The Authority acknowledges the request from a consultation respondent for guidance on matters of liability and will consider issuing such guidance as the regulatory framework develops. |
| 15. | Various | One respondent queried the impact on existing regulations made under the RBSA00, in light of provisions in the Bill that would transfer the power to make certain secondary legislation under that Act from the Treasury to the Authority. | It is anticipated that the provisions of the Bill will not all come into effect on the same date. Instead, they will be phased in through Appointed Day Orders and prioritised according to their significance (similar to the approach taken with the Insurance (Amendment) Act 2017). For example, provisions in the Bill relating to the licensing of pension providers may be brought into operation first, potentially followed by provisions concerning scheme applications and reporting, with other provisions, such as defined benefit scheme funding requirements, brought into operation at later stages. When each provision of the Bill is brought into effect, the associated provisions in secondary legislation will need to be updated concurrently (by either introducing, amending or replacing statutory documents, as appropriate). |

Appendix C – Post-Consultation Changes

| Row | Bill Clause | Amending RBSA00 | Bill Amendment |
|-----|-------------|-----------------|---|
| 1. | c.5 | s.2(5) | (5) At any time after receiving an application and <u>before</u> determining it, the Authority may require the applicant to provide such other information and documents as it may reasonably require. |
| 2. | c.5 | s.2(6) | <u>(6) Where subsection (4) is not complied with, the Authority may take such regulatory action as it considers appropriate.</u> |
| 3. | c.6 | s.3(1)(a) | (a) the scheme must not be of such class or description as is excluded from registration by regulations <u>made</u> under section 6 <u>51</u> ; |
| 4. | c.6 | s.3(1)(c)(v) | (v) must not have a trustee or administrator that is disqualified <u>or otherwise prohibited</u> from acting <u>as-in either</u> such <u>capacity</u> in respect of a scheme in the Island or a scheme or similar financial product (by whatever name called) elsewhere; |
| 5. | c.3 | s.3(1)(d)(iv) | (iv) must have constitutional documents which require the employer of any employee who may become eligible to join the scheme to be an employer that is a contributor to the scheme; |
| 6. | c.6 | s.3(8) | (8) The Authority may, instead of or in addition to pursuing <u>a</u> prosecution under subsection (7), take such regulatory action under this Act or the Financial Services Act 2008 as it considers appropriate. |
| 7. | c.7 | s.4(1)(c)-(e) | (c) without limiting paragraph (b), that a trustee or administrator <u>of the scheme</u> has contravened any provision of – (i) this Act; (ii) the <i>Insurance Act 2008</i> ; (iii) the <i>Financial Services Act 2008</i> ; or (iv) any rules, regulations, order or codes made under any of those Acts; (d) that a trustee or administrator <u>of the scheme</u> , in purported compliance with any such provision referred to in paragraph (c), has furnished the Authority with false, inaccurate or misleading information; or (e) that a trustee or administrator <u>of the scheme</u> has contravened any condition, prohibition, direction or other requirement imposed under the Acts specified in paragraph (c)(i) to (iii). |
| 8. | c.7 | s.4(7) | <u>(7) The Authority must give written notice to the trustee and administrator of its decision under subsection (5)(b) or (c) and the notice must include or be accompanied by a statement of reasons for the decision and a statement setting out the rights of appeal under section 38(3).</u> |
| 9. | c.12 | s.8(9) | (9) If the trustee fails to comply with this section <u>Where this section or requirements prescribed under it are not complied with,</u> the Authority may take such regulatory action as it considers appropriate. |

| Row | Bill Clause | Amending RBSA00 | Bill Amendment |
|-----|-------------|-----------------|---|
| 10. | c.13 | s.8A(3) | (3) Where the scheme actuary cannot give the certificate required by subsection (2), the scheme actuary must report the matter in writing to the Authority within 30 days after the end of the period within which the actuarial valuation must be received by the trustee <u>the period prescribed by the Authority in regulations.</u> |
| 11. | c.13 | s.8B(7) | (7) trustee must, except in circumstances prescribed by the Authority in regulations, send a copy of any recovery plan to the Authority within 30 days after it is prepared or, as the case may be, revised <u>the period prescribed by the Authority in regulations.</u> |
| 12. | c.14 | s.9(9) | (9) Where the scheme actuary is unable to give the certificate required by subsection (6), the scheme actuary must report the matter in writing to the Authority within 30 days after the end of the period within which the schedule of contributions is required to be prepared or, as the case may be, revised <u>the period prescribed by the Authority in regulations.</u> |
| 13. | c.16 | s.10C(11) | (11) Sections 31(5) and 32 <u>applies apply</u> to a direction under this section as it applies <u>they apply</u> to a direction under that section <u>31</u> . |
| 14. | c.16 | s.10D(1) | (1) Where an authorised scheme in respect of which a recovery plan has been prepared under section 8B begins to wind up during the recovery period, the trustee of the scheme must prepare a winding up procedure as soon as reasonably practicable and in any event within 2 months from the date on which the winding up of the scheme commences |
| 15. | c.16 | s.10D(6) | (6) The trustee must send a copy of any winding up procedure to the Authority within 30 days after it has been prepared or, as the case may be, revised <u>the prescribed period.</u> |
| 16. | c.21 | s.15(1) | (1) The trustee and administrator of an authorised scheme must obtain accounts relating to the scheme prepared in accordance with regulations made under section 6 (referred to in this section as “annual accounts”) within 6 months <u>the prescribed period</u> after the end of each scheme year. |
| 17. | c.22 | s.15B(1) | <p>15B Disclosure of information</p> <p>(1) The Authority may require the trustee and administrator of an authorised scheme falling within a class or description prescribed by the Authority in regulations to prepare within the prescribed period a report containing or accompanied by such information and documents as the Authority may prescribe in regulations (referred to in this Act as “the annual report”).</p> <p>(2) The trustee and administrator of the scheme must provide the annual report to a person prescribed in regulations made by the Authority where that person —</p> <p>(a) has made a request for the annual report within the period prescribed by the Authority in regulations; and</p> <p>(b) has not been given that annual report previously.</p> |

| Row | Bill Clause | Amending RBSA00 | Bill Amendment |
|-----|-------------|-----------------|--|
| | | | <p>(3) In accordance with regulations made by the Authority under this Act, the annual report must be given within the period prescribed in regulations.</p> <p>(4) The Authority may by regulations —</p> <p>(a) require the trustee and administrator of the scheme to provide a prescribed person with additional, prescribed information and documents;</p> <p>(b) prescribe —</p> <p>(i) the person referred to in paragraph (a);</p> <p>(ii) the additional information and documents referred to in paragraph (a);</p> <p>(iii) the circumstances in which, and the occasions on which, the trustee and administrator must comply with a requirement imposed in accordance with paragraph (a).</p> <p>(5) Where this section is not complied with, the Authority may take such regulatory action as it considers appropriate.</p> <p><u>(1) The Authority may make regulations —</u></p> <p><u>(a) requiring the trustee and administrator of an authorised scheme falling within a prescribed class or description to prepare a report (referred to in this Act as “the annual report”);</u></p> <p><u>(b) prescribing the information that must be contained in the report and the documents that must accompany the report;</u></p> <p><u>(c) prescribing the persons to whom the trustee and administrator of the scheme must provide the annual report, additional information or additional documents; and</u></p> <p><u>(d) prescribing the circumstances in which, and the occasions on which, the trustee and administrator supply the annual report, additional information or additional documents to a person prescribed under paragraph (c).</u></p> <p><u>(2) Where this section is not complied with, the Authority may take such regulatory action as it considers appropriate.</u></p> |
| 18. | c.24 | s.17 | <p>(1) Subject to regulations under section 6(2)(d) and 51(2)(d), for every authorised scheme the trustee and administrator must appoint —</p> <p>(a) a scheme auditor;</p> <p>(b) a scheme actuary; and</p> <p>(c) an investment manager,</p> |

| Row | Bill Clause | Amending RBSA00 | Bill Amendment |
|-----|-------------|-----------------|--|
| | | | <p>on such terms as the trustee and administrator may determine.</p> <p><u>(2) The trustee must consult the administrator before making an appointment under subsection (1).</u></p> <p><u>(3) Where subsection (1) is not complied with, the Authority may take such regulatory action as it considers appropriate.</u></p> |
| 19. | c.28 | s.19A(9) | <p>(9) In subsection (8)—</p> <p>“notified person” means a person to whom a notice under subsection (2) has been given and is still effective in accordance with subsection (7); and</p> <p>“officer” means an officer of a company for the purposes of the <i>Company Officers (Disqualification) Act 2009</i> (see section 1(2) of that Act); and</p> <p><u>“employment application” in paragraph (b) includes any action which would result in the person acting in a capacity mentioned in that paragraph.</u></p> |
| 20. | c.33 | s.25A(3) | <p>(3) Any guidance issued under this section is admissible in evidence in any legal proceedings and, if any provision of such guidance appears to the court or tribunal concerned to be relevant to any question arising in the proceedings, it must be taken into account in determining that question.</p> |
| 21. | c.40 | s.33(1)(b) | <p>(b) if it appears to the Authority that no person or no suitable person satisfying those requirements is available, for an order —</p> <p>(i) directing the removal of the trustee or and administrator, or both the trustee and administrator of the scheme; and (ii) appointing an appropriate person to wind up the scheme.</p> |
| 22. | c.42 | s.34A(2)(c) | <p>(c) the employer in relation to —</p> <p>(i) an occupational scheme; or</p> <p>(ii) a personal scheme where direct payment arrangements exist <u>an employer payment arrangement exists</u> in respect of one or more members of the scheme who are employees; and</p> |
| 23. | c.42 | s.34B(1) | <p>(1) An authorised person may, for the purposes of investigating whether the provisions <u>in or under this Act relating to</u> of an occupational scheme or a personal scheme are being, or have been, complied with, at any reasonable time enter premises liable to inspection.</p> |
| 24. | c.42 | s.34G(4) | <p><u>(4) Sections 34A to 34F are subject to section 41A.</u></p> |
| 25. | c.45 | s.38(3) | <p><u>(p) give a warning notice under section 19A;</u></p> <p>(p)(q) <u>issue a direction under section 22(1);</u></p> |

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| | | | <p>(q)(r) issue a notice or direction under section 23(2) or (3);</p> <p>(r)(s) issue a direction under section 31;</p> <p>(s)(t) on its own initiative vary, or (on application) refuse to withdraw or vary, a direction under section 31(5);</p> <p>(t)(u) disqualify a person under section 41;</p> <p>(u)(v) refuse to revoke a disqualification order under section 41;</p> <p>(v)(w) impose a civil penalty under section 50;</p> <p>(w)(x) withdraw an exemption pursuant to regulations under section 51(4)(b),</p> |
| 26. | c.46 | s.39 | <p>Section 39 repealed</p> <p>Section 39 of the Act (Retirement Benefits Schemes Ombudsman) is repealed.</p> |
| 27. | c.46 | s.41 | <p>(2) For the purpose of subsection (1), a specified person is —</p> <p>(a) a trustee of a scheme;</p> <p>(b) an administrator of a scheme;</p> <p>(c) a person who is otherwise involved in the management or administration of a professional adviser a to a scheme; and</p> <p>(d) the employer in relation to an occupational scheme;and</p> <p>(e) a person who is otherwise involved in advising the trustee or administrator of a scheme in relation to the scheme.</p> <p>(3) A-Subject to section 41A, a duty to which a person is subject must not be regarded as contravened merely because of any information or opinion contained in a report under this section;but this subsection does not apply to any information disclosed in such a report by the legal adviser of a scheme if the legal adviser would be entitled to refuse to produce a document containing the information in any proceedings in any court on the grounds that it was the subject of legal professional privilege.</p> |
| 28. | c.47 | s.41A | <p><u>41A Privileged information</u></p> <p><u>A person is not under an obligation under this Act to disclose information subject to legal privilege within the meaning of section 13 (meaning of “items subject to legal privilege”) of the Police Powers and Procedures Act 1998.</u></p> |
| 29. | c.50 | s.45 | <p>45 Register of schemes</p> |

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| | | | <p>(1) The Authority must keep and maintain a register of every scheme that has been registered in any of the categories specified in subsection (2) (collectively referred to as “registered schemes”), and that register (the “section 45 register”) —</p> <p>(a) must be kept in electronic form;</p> <p>(b) must include the name of each registered scheme;</p> <p>(c) may include any other information that the Authority considers appropriate <u>must include such other information as may be prescribed in regulations made by the Authority.</u></p> <p>(2) The categories are —</p> <p>(a) authorised schemes;</p> <p>(b) recognised schemes;</p> <p>(c) schemes registered as permitted schemes under the Retirement Benefits Schemes (Permitted Schemes) Regulations 2004²¹.</p> <p>(3) Where a person, <u>having had regard to any guidance given by the Authority,</u> makes what the Authority considers a reasonable request for disclosure of information from the section 45 register, the Authority must supply the person with a legible copy of the portion of information extracted from the register that may be disclosed in accordance with data protection legislation.</p> <p>(4) The Authority may publish —</p> <p>(a) the section 45 register; or</p> <p>(b) any part of the register.</p> |
| 30. | c.51 | s.50 | <p>50 — Civil penalties</p> <p>(1) If the Authority is satisfied that a person prescribed in regulations made under subsection (2) —</p> <p>(a) has contravened, or caused the contravention of —</p> <p>(i) any provision of this Act;</p> <p>(ii) any provision of a public document made under this Act;</p> <p>(iii) any condition or requirement imposed, or any direction given, under or by virtue of this Act; or</p> |

²¹ SD 2004/0593

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| | | | <p>(b) in purported compliance with any such provision, condition, requirement, or direction, has provided the Authority with false, inaccurate or misleading information,</p> <p>the Authority may require the person to pay a penalty in respect of the contravention or provision of false, inaccurate or misleading information.</p> <p>(2) The Authority may make regulations —</p> <p>(a) prescribing the persons it may require to pay a financial penalty under subsection (1);</p> <p>(b) prescribing the maximum amount of financial penalty which the Authority may impose on a person under subsection (1);</p> <p>(c) prescribing the amount or method of calculation of financial penalty it may impose in respect of a matter mentioned in subsection (1);</p> <p>(d) prescribing any contravention under this Act in respect of which the power of the Authority to require payment of a financial penalty applies; and</p> <p>(e) subject to subsection (5), prescribing the period within which any financial penalty must be paid;</p> <p>(3) Without limiting subsection (2)(a), regulations under subsection (2) may prescribe any of the following persons —</p> <p>(a) a current or former trustee of a scheme;</p> <p>(b) a current or former administrator of a scheme;</p> <p>(c) a current or former professional adviser to a scheme;</p> <p>(d) a current or former employer of a member of a scheme;</p> <p>(e) a current or former managing director or chief executive of a body corporate that is or was a trustee or administrator of a scheme.</p> <p>(4) The Authority must give written notice to the person concerned of any decision under subsection (1) specifying the amount of the penalty, together with a statement of reasons for the decision.</p> <p>(5) If the person does not appeal the decision of the Authority under subsection (1), the financial penalty must be paid within such period as may be specified in regulations under subsection (2).</p> <p>(6) If a person appeals the decision of the Authority under subsection (1), and on determination of the appeal any amount of the financial penalty remains payable, that financial penalty must be paid within 14 days of the determination of the appeal.</p> |

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| | | | <p>(7) Subject to subsection (8), the decision to impose a financial penalty under subsection (1) does not prevent the exercise of any other power or remedy under this Act.</p> <p>(8) The Authority may not —</p> <p>(a) both require a person to pay a financial penalty under this section and revoke any licence issued to that person under section 7 of the <i>Financial Services Act 2008</i>; or</p> <p>(b) require a person to pay a financial penalty under this section if criminal proceedings have been commenced, in respect of the same contravention or provision of false, inaccurate or misleading information.</p> <p>(9) Despite subsection (8), the Authority may revoke the licence of a person under section 9 of the <i>Financial Services Act 2008</i> if the person concerned has failed to pay a financial penalty within the applicable time limit for the financial penalty to be paid.</p> <p>(10) Any amount received as a financial penalty under this section must be paid into and form part of the General Revenue of the Island.</p> <p>(11) A financial penalty may be enforced as if it were a debt owed by the person on whom it was imposed to the Authority.</p> |
| 31. | c.52 | s.51(8) onwards | <p>(8) Subject to subsection (9), the Tynwald procedure for orders under this Act is “affirmative” (see section 31 of the <i>Legislation Act 2015</i>).</p> <p>(9) Subsection (8) does not apply to —</p> <p>(a) court orders;</p> <p>(b) orders made under section 3(1)(c)(i)(B) or section 54(3) (the Tynwald procedure for such orders is “approval required” (see section 30 of the <i>Legislation Act 2015</i>)); and</p> <p>(c) orders made under section 56(2) (the Tynwald procedure for such orders is “laying only” (see section 34 of the <i>Legislation Act 2015</i>)).</p> <p>(10) Subject to subsection (11), the Tynwald procedure for regulations under this Act is “affirmative” (see section 31 of the <i>Legislation Act 2015</i>).</p> <p>(11) Subsection (10) does not apply to —</p> <p>(a) regulations under section 10E;</p> <p>(b) regulations under section 50(2);</p> |

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| | | | <p>(c) regulations under the definition of “retirement benefits scheme” in section 53;</p> <p>(d) regulations under the definition of “administrator” in section 54; and</p> <p>(e) regulations under paragraph (e) of the definition of “employer-related investments” in section 54,</p> <p>(the Tynwald procedure for such regulations is “approval required” (see section 30 of the <i>Legislation Act 2015</i>)).</p> <p>(12) Except where otherwise expressly stated, every reference in this section to something being “prescribed” is a reference to that thing being prescribed by the Authority in regulations made under this section.</p> <p>(8) Subject to subsections (9), (10) and (11), the Tynwald procedure for orders under this Act is “affirmative” (see section 31 of the <i>Legislation Act 2015</i>).</p> <p>(9) Subsection (8) does not apply to court orders.</p> <p>(10) The Tynwald procedure for orders made under section 3(1)(c)(i)(B) or section 54(3) is “approval required” (see section 30 of the <i>Legislation Act 2015</i>).</p> <p>(11) The Tynwald procedure for orders made under section 56(2) is “laying only” (see section 34 of the <i>Legislation Act 2015</i>).</p> <p>(12) Subject to subsection (13), the Tynwald procedure for regulations under this Act is “affirmative” (see section 31 of the <i>Legislation Act 2015</i>).</p> <p>(13) The Tynwald procedure for the following regulations is “approval required” (see section 30 of the <i>Legislation Act 2015</i>) —</p> <p>(a) regulations under section 10E;</p> <p>(b) regulations under the definition of “retirement benefits scheme” in section 53;</p> <p>(c) regulations under the definition of “administrator” in section 54; and</p> <p>(d) regulations under paragraph (e) of the definition of “employer-related investments” in section 54.</p> <p>(14) Except where otherwise expressly stated, every reference in this section to something being “prescribed” is a reference to that thing being prescribed by the Authority in regulations made under this section.</p> |
| 32. | c.56 | s.54(2) | <p>(2) For the definition of “administrator” substitute —</p> <p>«administrator” means —</p> <p>(a) in relation to a trust scheme, a person appointed by the trustee of a trust scheme to perform functions for or on behalf of the trustee, including one or more of the following —</p> |

| Row | Bill Clause | Amending RBSA00 | Bill Amendment |
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| | | | <p>(i) collecting and processing contributions and monitoring payments;</p> <p>(ii) processing and making payment of benefits to members or their beneficiaries;</p> <p>(iii) undertaking transaction monitoring and reconciliation functions relating to member accounts;</p> <p>(iv) keeping records in relation to the scheme;</p> <p>(v) handling queries and complaints by members and beneficiaries; and</p> <p>(b) in relation to any other scheme, a person performing analogous or similar functions to those specified in paragraph (a); <u>but does not include such persons or classes of persons as may be exempted by regulations made by the Authority.</u></p> |
| 33. | c.56 | s.54(6) | <p><u>“employer payment arrangement” means any arrangement under which contributions fall to be paid by or on behalf of an employer toward a scheme either —</u></p> <p><u>(a) on the employer’s own account (but in respect of an employee); or</u></p> <p><u>(b) on behalf of an employee out of deductions from the employee’s earnings;</u></p> |

The following appendices are accessible using the links below. They can be also be accessed through the relevant consultation webpage on the [Isle of Man Government's Engagement Hub](#) or the Authority's [Consultations](#) webpage.

Appendix D – Retirement Benefits Schemes (Amendment) Bill V19

https://consult.gov.im/financial-services-authority/retirement-benefits-schemes-amendment-bill/supporting_documents/retirement-benefits-schemes-amendment-bill-2026pdf

Appendix E – Retirement Benefits Schemes Act 2000 (As Amended)

https://consult.gov.im/financial-services-authority/retirement-benefits-schemes-amendment-bill/supporting_documents/retirement-benefits-schemes-act-2000pdf