



FINANCIAL SERVICES ACT 2008

FINANCIAL SERVICES (CIVIL PENALTIES) REGULATIONS 2010

Approved by Tynwald 16 November 2010

Coming into operation 1 January 2011

The Financial Supervision Commission makes these Regulations under section 16(5) of the Financial Services Act 2008¹, after carrying out the consultations required by section 44(5) of that Act:-

Title

1. These are the Financial Services (Civil Penalties) Regulations 2010.

Commencement

2. If approved by Tynwald², these Regulations come into operation on 1 January 2011.

Interpretation

3. In these Regulations: -

“the Act” means the Financial Services Act 2008;

“business day” means a day other than –

(a) a Saturday;

(b) a Sunday;

(c) a day which is a bank holiday under the Bank Holidays Act 1989³;

“the Commission” means the Financial Supervision Commission;

“direction” means a direction issued by the Commission under section 14 of the Act;

“licence condition” means a condition imposed by the Commission under section 7 of the Act;

¹ 2008 c.8

² As required by Financial Services Act 2008 section 45(2)

³ 1989 c.5

“return” means any document required to be submitted under -

- (a) rules 2.9(1), (2) and (3), 2.15(1)(a), 2.24, 2.28 and 2.42 of Part 2 of the Financial Services Rule Book 2009⁴, but does not include any document required to be submitted under rule 2.11;
- (b) rules 5.8, 5.14, 5.16 and 5.18 of Part 5 of the Financial Services Rule Book 2009;
- (c) rule 8.28 of Part 8 of the Financial Services Rule Book 2009; or
- (d) a direction or licence condition imposed by the Commission;

“specified period” means the period by the end of which a return is required to be submitted or otherwise provided to the Commission; and a return is treated as “submitted” or “provided” once it is received by the Commission duly completed.

Application

4. These Regulations apply to all current and former licenceholders.

Penalties

5. Subject to regulation 7, the Commission will require current and former licenceholders to pay a penalty for each contravention of a requirement to submit or otherwise provide a return within a specified period.
6. The penalty payable is as follows:

PENALTY	All classes of licenceholders except Class 1	Class 1 licenceholders
Return submitted/ provided from 1 to 4 business days after end of specified period	£100	£100
Return submitted/ provided from 5 to 20 business days after end of specified period	£500	£1,000
Return submitted/ provided more than 20 business days after end of specified period	£2,000	£5,000

7. The Commission may require a current or former licenceholder to pay a lesser penalty or no penalty where the Commission considers that the circumstances are so exceptional that it would be unfair to require the current or former licenceholder to pay the full penalty.
8. Any penalty due must be paid to the Commission within 21 business days of the penalty being imposed.

Revocation

9. The Financial Services (Civil Penalties) Regulations 2008⁵ are revoked.

⁴ SD 737/09

⁵ SD 372/08

Made 19th October 2010

J. A. Cashen
Commissioner

J.R. Aspden
Chief Executive

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations specify the penalties payable by current and former licenceholders in the event that returns are not submitted or provided to the Financial Supervision Commission within certain specified periods.