



Financial Services Rule Book 2016 – Consent and Information Summary Table

Summary only – this document is not intended to be used without reference to the Financial Services Rule Book, nor can the Isle of Man Financial Services Authority accept responsibility for its accuracy. It remains the user’s responsibility to review the source legislation and ensure compliance with the Rule Book requirements.

This table sets out the obligations upon licenceholders in the Financial Services Rule Book 2016 to seek consent from the Authority and / or inform the Authority of events.

Notifications may be required in some circumstances before action is taken. It does not apply to notifications covered by the requirements to submit or report information as part of the annual or interim financial returns.

Event	Rule	Action	Timing of communication with Authority
PART 1 – Introductory			
Confirmation of oral notification	1.1	Notify	Within 24 hours.
Commencement of regulated activities	1.2	Notify	If regulated activities not commenced within 4 months of licensing, must notify Authority within 10 business days after the end of the 4 month period

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Event	Rule	Action	Timing of communication with Authority
PART 2 – Financial Resources and Reporting			
Annual reporting date	2.1	Notify	A licenceholder must notify the Authority of its annual reporting date.
Notification of inability to comply	2.2	Notify	Immediately.
Reporting Currency	2.3	Approval	Before currency other than sterling is used.
Misleading financial returns	2.5	Notify	As soon as it has reason to believe.
Change of annual reporting date (IOM Incorporated)	2.11	Consent	Prior.
Method of storage and location of any accounting records (IOM Incorporated)	2.12(4)	Notify	20 business days prior to the surrender of its licence.
Change of annual reporting date (Non-IOM Incorporated)	2.14	Notify	Prior.
Method of storage and location of any accounting records (Non-IOM Incorporated)	2.15(4)	Notify	20 business days prior to the surrender of its licence.

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Event	Rule	Action	Timing of communication with Authority
Charges	2.18	Notify	20 business days before or as soon as practical.
Capital resources – risk-asset ratio (Class 1 IOM Incorporated)	2.19(4)	Notify	Immediately (upon known or believed breach of requirements or within notification level) (applicable until 1 July 2017)
Capital resources – CET1 ratio, Tier 1 ratio or Total capital ratio	2.19(5)	Notify	Immediately (upon known or believed breach of requirements or within notification level) (applicable from 1 July 2017)
Capital resources – ICAAP	2.19(7)	Provide information	Within 20 business days of approval by the directors.
Failure to comply with obligations	2.26	Notify	As soon as it has reason to believe.
Financial commitments	2.27	Consent and Notify	Prior consent to enter into commitments. Notify as soon as aware.
Claims	2.28	Notify	As soon as aware.
Charges	2.29	Consent and Notify	Prior consent to create charges. Notify as soon as a charge is created.
Notification of actual or potential breach of net tangible assets or liquid capital requirements	2.31	Notify	Immediately if at any time it has reason to believe.

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Event	Rule	Action	Timing of communication with Authority
Turnover and financial resources	2.37	Notify and confirm	Notify within 5 business days of reaching a new turnover band. Confirm compliance with higher requirement within 20 business days of the notification.
PART 3 – Client Money, Trust Money, Relevant Funds, Nominee Bank Accounts and Client Company Money			
Notification of receipt of client money in certain cases	3.7(2)	Notify	Same day or next working day.
Operation of client bank account	3.9(3)	Provide information	Licenceholder to supply or arrange for bank to supply the Authority with a copy of the bank acknowledgement letter required by this Rule.
Reconciliation	3.12(2)(h) and (i)	Notify	Promptly if the reconciliation has not been undertaken as prescribed; and Within 5 business days of discovering that a reconciliation cannot be corrected.
No withdrawal in case of default	3.20	Consent	Prior.
Accounts for clients' free money and settlement money	3.29(1)	Consent	Prior consent to operate a settlement account (not required for a free money account).
Reconciliation (Class 5)	3.34(2)(f) and (g)	Notify	Promptly if the reconciliation has not been undertaken as prescribed; and Within 5 business days of discovering that a reconciliation cannot be corrected.
Reconciliation (e-money) (Class 8(2)(a) or 8(4))	3.40(5)	Notify	Within 5 business days of failure to carry out the reconciliation as prescribed or inability to correct discrepancy.

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Event	Rule	Action	Timing of communication with Authority
PART 4 – Clients' Investments			
Reconciliation of investments and title documents	4.7(3)(b) & (5)	Agreement	Agreement where reconciliations are less than every 3 months (for registrable investments where third party records cannot be obtained electronically) or less than every 25 business days (where records are available electronically).
	4.7(8)	Notify	Notification within 5 business days of failure to complete the custody reconciliation as prescribed or inability to correct discrepancy.
Periodic statements	4.8(5)	Notify	Immediately, of breach of paragraph (2).
Loans of Investments	4.10(1)(a)	Consent	Prior.
PART 5 - Audit			
Notification (IOM Incorporated)	5.7(1) & (3)	Notify	Immediately.
Appointment of auditors (Non-IOM Incorporated)	5.12(3)	Notify	Forthwith upon appointment, removal or resignation of an auditor.

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Event	Rule	Action	Timing of communication with Authority
PART 6 – Conduct of Business			
Valuation of investments	6.55(6)	Notify	Promptly if a scheme is not being valued in accordance with paragraphs (2) or (4).
Services for overseas schemes	6.61(1) & (2)	Notify	Within 10 business days of entering into an agreement to provide services and ceasing to provide services. Within 10 business days of any material changes to the information provided under paragraph (1).
Services to overseas managers or administrators of schemes	6.62(1) & (2)	Notify	Not less than 20 business days in advance of entering into an agreement or ceasing to provide services. Notify within 10 business days of any material changes to the information provided under paragraph (1).
Agents	6.69(5)	Notify	Not less than 20 business days in advance of the appointment of any new agencies or changes in existing agencies.
Provision of statistical information	6.72	Provide information	By such date and in such form as the Authority may require.
PART 7 – Administration			
Change of name or address	7.1	Notify	Not less than 20 business days in advance.
Registration of business name	7.2	Notify	Not less than 20 business days in advance.

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Event	Rule	Action	Timing of communication with Authority
Ownership and structure matters (IOM Incorporated)	7.3(1)	Consent	Prior consent before: <ul style="list-style-type: none"> (a) re-registering under the Companies Act 2006; (b) re-domiciling to another jurisdiction; (c) re-domiciling a subsidiary to another jurisdiction; (d) acquiring or establishing a trading subsidiary, branch or representative office in the Island or elsewhere; (e) any person acquires a controlling interest in the licenceholder; (f) any change takes place to an existing controlling interest in the licenceholder which would take that controlling interest – <ul style="list-style-type: none"> (i) from 50% or less to over 50%; or (ii) from 75% or less to over 75%.
	7.3(2)	Notify	<ul style="list-style-type: none"> (a) of any change to an existing controlling interest not covered by Rule 7.3(1)(f); (b) of the sale or disposal of, or an agreement to sell or dispose of, the whole or any part of the licenceholder's business; (c) of any change in the ownership structure between it and its ultimate parent company or, any material change in its ultimate ownership; (d) of the closure, sale or winding up of a trading subsidiary, branch or representative office in the Island or elsewhere; (e) any subsidiary that is a nominee company, corporate officer or corporate trustee, protector, enforcer or non-trading body corporate (apart from a shelf company); or (f) if Rule 7.3(1)(e) or (f) do not apply any transfer of 5% or more or a transfer of its voting shares which has a material effect on its immediate or ultimate control.

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Event	Rule	Action	Timing of communication with Authority
			<p>A notification in (2)(a) to (d) must be made not less than 20 business days before a transaction takes place or as may be otherwise agreed in writing by the Authority. Notification in (2)(e) must be made within 20 business days of the event.</p> <p>Notification required in (2)(f) must be made—</p> <ul style="list-style-type: none"> (a) where the shares are quoted on an exchange, within 5 business days of becoming aware of the transfer; or (b) in all other cases, 20 business days before the transfer is registered.
Ownership and structure matters (Non-IOM Incorporated)	7.4(1)	Consent	<p>Prior consent before:</p> <ul style="list-style-type: none"> (a) re-registering under the Companies Act 2006; (b) re-domiciling to another jurisdiction; (c) any person acquires a controlling interest in the licenceholder; (d) any change takes place to an existing controlling interest in the licenceholder which would take that controlling interest – <ul style="list-style-type: none"> (i) from 50% or less to over 50%; or (ii) from 75% or less to over 75%.
	7.4(2)	Notify	<p>Notification must be made not less than 20 business days before or as may be otherwise agreed in writing by the Authority:</p> <ul style="list-style-type: none"> (a) of any change to an existing controlling interest not covered by Rule 7.4(1)(d); (b) of the sale or disposal of, or an agreement to sell or dispose of, the whole or any part of the licenceholder's business; (c) of any change in the ownership structure between it and its ultimate parent company or, any material change in its ultimate ownership; or (d) before re-domiciling a subsidiary to another jurisdiction.

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	7.4(3)	Notify	Where the shares are quoted on an exchange within 5 business days of becoming aware of the transfer or in all other cases, 20 business days before the transfer is registered.
Merger, takeover and purchase notification requirements (All classes except Class 1)	7.5(2)	Notify	Not less than 20 business days before a transaction takes place or as may be otherwise agreed in writing by the Authority.
Merger, takeover and purchase consent requirements (All Class 1)	7.6	Consent	Prior to a transaction taking place.
Further ownership and structure matters (IOM Incorporated)	7.7(1)	Consent	Prior to taking any step towards reducing or altering the nature of its issued share capital or its loan capital.
	7.7(2)	Notify	Not less than 10 business days before increasing its issued share capital.
	7.7(3) & (4)	Notify	Not less than 20 business days before taking any steps towards altering the rights or obligations of its shareholders or debenture holders. Not less than 20 business days before a prescribed transaction takes place or as may be otherwise agreed in writing by the Authority.
	7.7(5)	Notify	Within 5 business days of becoming aware of any proposed pledge of, offer of options over, or options granted, in respect of any shares in the capital of the licenceholder.
Further ownership and structure matters (Non-IOM Incorporated)	7.8(1)	Notify	Not less than 10 business days before increasing its issued share capital.

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Event	Rule	Action	Timing of communication with Authority
	7.8(2) & (3)	Notify	Not less than 20 days before altering the rights or obligations of its shareholders or debenture holders. Not less than 20 business days before a prescribed transaction takes place or as may be otherwise agreed in writing by the Authority.
	7.8(4)	Notify	Within 5 business days of becoming aware of any proposed pledge of, offer of options over, or options granted, in respect of any shares in the capital of the licenceholder.
New appointments and departures from office	7.9	Notify	Subject to rule 7.10; Appointments 20 business days in advance. Departures within 10 business days of the giving of notice or other event giving rise to the departure. "An appointment" includes existing employees.
Appointments in exceptional circumstances	7.10	Notify	Within 5 business days of the appointment or appointee ceasing to undertake the role.
Fitness and propriety	7.12	Notify	Promptly if it becomes aware of any significant matters that may affect an assessment of fitness or propriety.
Staff disciplinary action	7.13	Notify	Within 10 business days of the discovery of an event. Within 5 business days after it gives any final warnings or takes any other serious disciplinary action.
Disqualification as a director etc.	7.14	Notify	As soon as it becomes aware.
Service of notice etc.	7.15	Notify	As soon as it becomes aware.

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Event	Rule	Action	Timing of communication with Authority
Criminal proceedings and convictions	7.16	Notify	As soon as it becomes aware.
Surrender of licence	7.17	Notify	Not less than 30 business days in advance.
Cessation of regulated activities	7.18	Notify	If practicable, not less than 20 business days before the event, or as soon as practicable.
Bankruptcy, winding up, etc.	7.19	Notify	As soon as it becomes aware.
Voluntary winding up	7.120	Notify	Not less than 5 business days in advance.
Legal proceedings – deposit takers	7.21	Notify	As soon as it becomes aware.
Legal proceedings – investment businesses, CIS, corporate service and trust service providers, payment institutions and e-money issuers	7.22	Notify	As soon as it becomes aware.
Criminal proceedings against client – corporate service and trust service providers	7.23	Notify	As soon as it becomes aware.

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Event	Rule	Action	Timing of communication with Authority
Notification of default – deposit takers	7.24	Notify	Immediately.
PART 8 – Risk Management and Internal Control			
Business Plan	8.11	Provide a copy	Before or as soon as practicable after a change to the business.
Changes to activities, services or products	8.13	Notify	Not less than 20 business days in advance.
Business Continuity	8.15(c) and (d)	Consent	Prior to appointment of an individual as a locum to a financial adviser, or appointment of a locum in circumstances other than those described in (c)
	8.15(e)	Notify	Not specified in Rule 8.15(e), however notification of any substantial changes should be timely.
Delegation of function including outsourcing	8.16(1)	Consent	Prior.
	8.16 (3)	Notify	Notify at least 20 business days before it becomes operational.
Breaches of regulatory requirements	8.17	Notify	As soon as aware of material breaches.

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Event	Rule	Action	Timing of communication with Authority
Fraud or dishonesty	8.18	Notify	As soon as has reason to believe or becomes aware.
Investigation of member's conduct by professional body	8.19	Notify	As soon as aware.
Matters to be notified - general	8.20	Notify	As soon as aware.
Functions of compliance officer	8.23(2)(c)	Notify	Notified of any material exceptions identified within the Clients' Assets Report in accordance with rule 8.17.
Isle of Man Resident officers (Non-IOM Incorporated) except Class 8(1), 8(2)(b) or 8(3)	8.25(1)(c)	Notify	Must be notified not less than 20 days in advance of appointment in that role.
Company secretary	8.26	Approval	Applies if a person is not qualified under (a).
Complaints	8.32(1)(f)	Notify	Not specified in Rule 8.32, however notification of the reason why an investigation has not been completed should be timely.
Risk management policies (Class 1)	8.33	Provide a copy and Notify	Provide a copy of the policies within 20 business days of their approval or any substantial amendments. Notify within 4 months of the financial year end.
Credit risk policy (Class 1 IOM Incorporated)	8.36	Provide a copy	Within 20 business days of approval or any substantial amendment by the directors.

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Event	Rule	Action	Timing of communication with Authority
Large exposures policy (Class 1 IOM Incorporated)	8.38	Provide a copy	Within 20 business days of approval or any substantial amendment by the directors.
Large exposure management (Class 1 IOM Incorporated)	8.39(3)	Consent and provide	Obtain the Authority's consent before entering into an exposure falling within rule 8.41(g). Provide evidence of assessment to the Authority at least annually.
	8.39(4)(a)	Notify	Before entering into an exempt exposure except those specified in rule 8.41(a) or (b).
	8.39(4)(b)	Notify	Immediately when the total of its large exposures, excluding exempt exposures exceeds or is likely to exceed 300% of its LECB.
	8.39(4)(c)	Notify	Immediately upon breach of the requirements in large exposures management in Rule 8.39(1)(a) or (b) or any other counterparty limit agreed with the Authority.
	8.39(4)(d)	Notify	Immediately if its adjusted capital base falls below its current LECB. (applicable until 1 July 2017)
Calculation of exposures (Class 1 IOM Incorporated)	8.40(5)(b)	Notify	Before entering into a contract which is to be netted.
Arrears and provisions policy for bad and doubtful debts (Class 1 IOM Incorporated)	8.42(2)	Provide a copy	Within 20 business days of approval by the directors.
Liquidity policy (Class 1 IOM Incorporated)	8.43(2)	Provide a copy	Within 20 business days of approval by the directors.

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Event	Rule	Action	Timing of communication with Authority
Liquidity contingency plan (Class 1 IOM Incorporated)	8.43(4)	Provide a copy	Not specified in rule 8.4(4), however providing a copy of the contingency plan to the Authority should be timely.
Liquidity management (Class 1 IOM Incorporated)	8.44	Notify	Immediately upon breach of paragraph (1)(a).
Foreign exchange risk (policy) (Class 1 IOM Incorporated)	8.45(3)	Provide a copy	Within 20 business days of approval or any substantial amendment by the directors.
Interest rate risk (policy) (Class 1 IOM Incorporated)	8.46(3)	Provide a copy	Within 20 business days of approval or any substantial amendment by the directors.
Annual review of certain policies (Class 1 IOM Incorporated)	8.47	Notify	Within 4 months after the financial year end (this is done as part of the annual regulatory return submission).
Capital charge for operational risk (Class 1 IOM Incorporated)	8.48	Notify	Within one month of the quarter-end.
Credit risk policy (Class 1 Non-IOM Incorporated)	8.49(2)	Provide a copy	Within 20 business days of adoption or any substantial amendment.
Arrears and provisions policy for bad and doubtful debts (Class 1 Non-IOM Incorporated)	8.52(2)	Provide a copy	Within 20 business days of adoption or any substantial amendment.
Liquidity policy (Class 1 Non-IOM Incorporated)	8.53(2)	Provide a copy	Within 20 business days of adoption or any substantial amendment.

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Event	Rule	Action	Timing of communication with Authority
Liquidity contingency plan (Class 1 Non-IOM Incorporated)	8.53 (4)	Provide a copy	Not specified in Rule 8.53(4), however providing a copy of the contingency plan to the Authority should be timely.
Foreign exchange risk (policy) (Class 1 Non-IOM Incorporated)	8.55(2)	Provide a copy	Within 20 business days of adoption or any substantial amendment.
Interest rate risk (policy) (Class 1 Non-IOM Incorporated)	8.56(2)	Provide a copy	Within 20 business days of adoption or any substantial amendment.
Professional indemnity insurance ('PII')	8.57(4)	Submit PII Confirmation	Within 20 business days of each renewal.
	8.57(5)	Confirmation	Provide confirmation of the extension of its PII within 20 business days of the extension.
	8.57(7)	Notify	As soon as practicable of a claim exceeding £10,000 or any change in the PII previously notified to the Authority.
Pricing errors	8.60(1)	Notify	As soon as aware of an error of more than 0.5% of the price of the unit.
Pricing errors	8.60(4)	Provide information	Within 15 business days after the quarter-end, all pricing errors in relation to a collective investment scheme which occurred or were discovered during that calendar quarter.
Notification of suspension or liquidation of a scheme	8.61	Notify	As soon it becomes aware.

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Event	Rule	Action	Timing of communication with Authority
PART 9 – Professional Officers			
Client Money	9.10	Notify	On date of receipt or the next working day.
Business plan	9.13	Notify and provide a copy	Not less than 20 business days in advance of cessation or material change to any of his/her regulated activities, and provide the Authority with a copy of the amended plan.
Change of name or address	9.14	Notify	Not less than 20 business days in advance.
Annual reporting date	9.15(1)	Notify	Notify the Authority of his/her annual reporting date. Notification should be timely.
	9.15(2)	Consent	Prior consent to change his/her annual reporting date.
Complaints	9.22(1)(e)	Notify	Does not specify, however should be timely notification of any resulting changes to his procedures.
Professional indemnity Insurance ('PII')	9.24(2)	Submit PII Confirmation	Within 20 business days of each renewal.
	9.24(3)	Confirmation	Provide confirmation of the extension of his/her PII within 20 business days of the extension.

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Event	Rule	Action	Timing of communication with Authority
	9.24(7)	Notify	As soon as practicable of a claim exceeding £10,000 or any change in the PII previously notified to the Authority.
Breaches of regulatory requirements	9.25(1)	Notify	As soon as he/she becomes aware that he has materially breached any regulatory requirements.
Matters to be notified – general	9.26	Notify	As soon as aware.
Surrender of licence	9.27	Notify	Not less than 30 business days before the surrender of the licence.
Cessation of regulated activities	9.28	Notify	If practicable, not less than 20 business days before the event; or otherwise, as soon as practicable.
Investigation of members conduct by professional body	9.31	Notify	As soon as aware of any action.
Disqualification as a director etc.	9.32	Notify	As soon as aware of his/her disqualification or any application.
Notice of action etc.	9.33	Notify	As soon as aware of any action.
Legal Proceedings	9.34	Notify	As soon as aware.

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Event	Rule	Action	Timing of communication with Authority
Criminal proceedings and convictions	9.35	Notify	As soon as aware.
Bankruptcy etc	9.36	Notify	As soon as aware.
Fraud or serious mismanagement	9.37	Notify	As soon as aware.
APPENDIX 3 – Financial Resources Statement (Rule 2.30)			
Qualifying subordinated loan – repayment	Note 4	Approval	Prior to repayment, prepayment or termination of a subordinated loan.
Amounts due from related parties	Note 5	Consent	Not to be netted-off without prior consent.
Market value adjustments (Variations to formula)	Note 6	Agreed	Prior.
Liquid Capital calculations (Any other relevant items)	Note 10	Consent	Before adding back any other items here.
AAE and EBR adjustments	Note 11	Agreed	Before any adjustment.

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Event	Rule	Action	Timing of communication with Authority
Annual audited expenditure (Items to be included under "other expenses")	Note 14	Agreed	Prior.
Exceptional and extraordinary costs	Note 17	Agreed	Prior.