

**To the Hon Clare Christian, President of Tynwald and the Hon Council and Keys in Tynwald assembled**

**1. Title of measure**

Regulated Activities (Amendment) (Class 1 – Deposit-Taking) Order 2016.

**2. Changes in policy**

This Order widens the range of banks that may be licensed to operate in or from the Isle of Man.

**3. Effects of the measure**

This Order amends the Regulated Activities Order 2011 by replacing the sole Class 1 Deposit Taking regulated activity with three separate sub-classes of Class 1 Deposit Taking regulated activity. It also creates a definition of restricted depositor.

**4. Reasons for the measure**

The measure reflects Government's wish to provide new 'non-retail' banking options for corporate clients and some very high net worth individuals , greater flexibility of ownership for such banks, and licensing of representative offices of foreign banks.

**5. Legal Powers or Legal Advice obtained**

The Order is made by the Treasury under section 3 of the Financial Services Act 2008.

**6. Resource implications**

No resource implications are envisaged.

**7. Tynwald procedure**

The Order is laid before Tynwald for approval. The Tynwald procedure is specified in section 45(3) of the Financial Services Act 2008.

**8. Change in Fees**

Not applicable.