

Explanatory Memorandum to Tynwald Members

Issued by the Isle of Man Office of Fair Trading

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

1. Title of measure

Financial Services Disputes (Definition) (Amendment)(No2) Order 2016

2. Changes in policy

None

3. Effects of the measure

The Order amends the Financial Services Act 2008 Financial Services Disputes (Definition) (Amendment) Order 2008 to extend the remit of the Financial Services Ombudsman Scheme ('the scheme') to include credit unions.

4. Reasons for the measure


The inclusion of credit unions within the remit of the FSOS will provide dispute resolution in respect of the services provided by a credit union which is in keeping with those financial services already covered. This is supported by the Financial Services Authority ('FSA') as it is anticipated that the Manx Credit Union will be registered an operational later this year. In addition it will provide an increased level of consumer protection for a service used in the main by the local community.

5. Resource implications

It is anticipated that there will be just one provider in this category therefore the impact on resources will be minimal. Consequently this introduction can be contained within existing staffing levels.

6. Tynwald procedure

Laid before as per section 45(4) of the Financial Services Act 2008

Signed.......... On behalf of Isle of Man Office of Fair Trading