



FINANCIAL SUPERVISION ACT 1988

FINANCIAL SUPERVISION (RESTRICTED SCHEMES) REGULATIONS 1990

In exercise of the powers conferred on the Treasury by sections 6 and 11(4) of the Financial Supervision Act 1988(a), and of all other powers enabling it in that behalf, the following Regulations are hereby made:-

Citation and commencement

1. These Regulations may be cited as the Financial Supervision (Restricted Schemes) Regulations 1990 and shall come into operation on the 1st March 1990.

Contents of constitutional documents of an open-ended investment company incorporated in the Island

2. The constitutional documents of a restricted scheme which is an open-ended investment company incorporated in the Island shall provide for the following matters -

- (a) Maximum permitted level of initial charge and annual management charge;
- (b) Amount of notice to be given to participants to increase Manager's charges, up to the maximum permitted level;
- (c) Amount of notice to be given to participants of any proposed change to the trustee and management agreements;
- (d) How Trustee remuneration is to be provided for and whether it is to be paid out of the property of the scheme;
- (e) Description of all other costs and charges payable out of the property of the scheme;
- (f) Investment objectives;
- (g) Classes of units to be issued and voting rights attached thereto;
- (h) Registration and transfer of title to units;
- (i) Powers and duties of the Manager, the Trustee, and arrangements for the appointment and removal thereof;
- (j) Accounting periods;
- (k) Income distribution dates, if any;
- (l) Dates and method of publication of reports and accounts;
- (m) How the property of the scheme will be valued, and the basis on which the offer and redemption prices will be calculated;
- (n) Issue and redemption of units;
- (o) Circumstances, if any, in which redemption of units may be suspended;
- (p) Restrictions or limits, if any, on investment powers;
- (q) Hedging powers, if any, and any limits or restrictions thereon;
- (r) Borrowing powers, if any, and any limits or restrictions thereon; and
- (s) Provisions covering the convening and conduct of meetings including the service of notices and documents.

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Contents of constitutional documents of other restricted schemes

3. The constitutional documents of a restricted scheme, other than a scheme to which regulation 2 applies, shall provide for the following matters -

- (a) Maximum permitted level of initial charge and annual management charge;
- (b) Amount of notice to be given to participants to increase Manager's charges, up to the maximum permitted level;
- (c) Amount of notice to be given to participants of any proposed change to the documents constituting the scheme;
- (d) How Trustees remuneration is to be provided for and whether it is to be paid out of the property of the scheme;
- (e) Description of all other costs and charges payable out of the property of the scheme;
- (f) Investment objectives;
- (g) Classes of units to be issued and voting rights attached thereto;
- (h) Registration and transfer of title to units;
- (i) Powers and duties of the Manager, the Trustee, and arrangements for the appointment and removal thereof;
- (j) Accounting periods;
- (k) Income distribution dates, if any;
- (l) Dates and method of publication of reports and accounts;
- (m) How the property of the scheme will be valued and the basis on which the offer and redemption prices will be calculated;
- (n) Issue and redemption of units;
- (o) Circumstances, if any, in which redemption of units may be suspended;
- (p) Restrictions or limits, if any, on investment powers;
- (q) Hedging powers, if any, and any limits or restrictions thereon;
- (r) Borrowing powers, if any, and any limits or restrictions thereon;
- (s) Provisions covering the convening and conduct of meetings including the service of notices and documents;
- (t) Provision for winding up of the Scheme; and
- (u) Appointment, removal, remuneration and powers and duties of the auditor.

Made this 28th day of February 1990



Minister for the Treasury

These Regulations were approved by Tynwald on 21st March, 1990

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations prescribe what the contents of the documents constituting a restricted scheme shall provide for.