



Statutory Document No. 63/06

RETIREMENT BENEFITS SCHEMES ACT 2000

THE RETIREMENT BENEFITS SCHEMES (MISCELLANEOUS AMENDMENT) REGULATIONS 2006

Approved by Tynwald

22nd March 2006

Coming into operation

1st April 2006

In exercise of the powers conferred on the Treasury by sections 1, 3, 6 and 51 of the Retirement Benefits Schemes Act 2000¹, and of all other enabling powers, and having consulted the Insurance and Pensions Authority and such other organisations and persons as appear to it to be likely to be affected, the following Regulations are hereby made:—

Citation and commencement

1. These Regulations may be cited as the Retirement Benefits Schemes (Miscellaneous Amendment) Regulations 2006 and, subject to section 51(5) of the Act, shall come into operation on the 1st April 2006.

Amendment to the Retirement Benefits Schemes (Domestic Schemes) (General Administration) Regulations 2004

2. (1) The Retirement Benefits Schemes (Domestic Schemes) (General Administration) Regulations 2004² shall be amended in accordance with the provisions of paragraphs (2) to (5).

(2) In regulation 12 –

(a) in paragraph (5)(d) at the end for “.” there shall be substituted “;”;

(b) after paragraph (5)(d) there shall be inserted –

“(e) a money purchase scheme which has less than two members where, in respect of each year’s annual accounts, the member has specified in writing to the scheme trustee that the provisions of paragraph (4) shall not apply.”

(3) In regulation 15 –

(a) in paragraph (8)(a) for the words “paragraph (4)” there shall be substituted the words “paragraph (5)”; and

¹ 2000 c.14

² SD 589/04

- (b) in paragraph (9)(a) and paragraph (10) for the words “paragraph (7)(b) and the principles contained in the statement under paragraph (4)” there shall be substituted the words “paragraph (8)(b) and the principles contained in the statement under paragraph (5)”.
- (4) In paragraphs (5) and (10) of regulation 16 for the words “Investment Business Order 1991”, in each place where they occur, there shall be substituted the words “Investment Business Order 2004³”.
- (5) In paragraph 8(a) of Schedule 2 –
- (a) for the words “regulation 13” there shall be substituted the words “regulation 12”; and
 - (b) for the words “Regulations 2003” there shall be substituted the words “Regulations 2004”.

Amendment to the Retirement Benefits Schemes (International Schemes) Regulations 2001

3. (1) The Retirement Benefits Schemes (International Schemes) Regulations 2001⁴ shall be amended in accordance with the provisions of paragraph (2).
- (2) In regulation 14 –
- (a) in paragraph (4)(e) for the word “schemes” there shall be substituted the word “scheme” and at the end for “.” there shall be substituted “;”;
 - (b) after paragraph (4)(e) there shall be inserted –
 - “(f) a money purchase scheme which has less than two members where, in respect of each year’s annual accounts, the member has specified in writing to the scheme trustee that the provisions of paragraph (3) shall not apply.”; and
 - (c) in paragraph (6) the words “(a) to (c)” shall be omitted.

Amendment to the Retirement Benefits Schemes (Excepted Schemes) Regulations 2001

4. (1) The Retirement Benefits Schemes (Excepted Schemes) Regulations 2001⁵ shall be amended in accordance with the provisions of paragraphs (2) to (3).
- (2) In regulation 2 after the definition of ‘Exempt insurance company contract’ there shall be inserted –
- ““relevant benefits” has the same meaning as in section 53 of the Act.”.
- (3) After paragraph (3)(b) of regulation 3 there shall be inserted –
- “(c) any occupational money purchase scheme established prior to the 1st May 2005 which has less than two members and under which all of the relevant benefits of the scheme are secured by policies of insurance or annuity contracts, and either –

³ SD 673/04

⁴ SD 645/01 (as amended by SD 664/02 and SD589/04)

⁵ SD 646/01 (as amended by SD597/04)

- (i) the payment of the relevant benefits of the scheme are provided by way of direct payment from the provider of the policies of insurance or annuity contracts to the beneficiaries of the scheme, or
- (ii) the member of the scheme is the trustee of the scheme and the scheme documentation does not extend to the scheme trustee any powers to invest in assets other than insurance policies or annuity contracts.”.

Amendment to the Retirement Benefits Schemes (Management and Miscellaneous Provisions) Regulations 2001

5. (1) The Retirement Benefits Schemes (Management and Miscellaneous Provisions) Regulations 2001⁶ shall be amended in accordance with the provisions of paragraphs (2) to (4).

(2) In regulation 2 there shall be inserted in the appropriate places –

““insurer” has the same meaning as in section 34 of the Insurance Act 1986⁷;” and
 ““self-administered scheme” means a retirement benefits scheme where some or all of the income and other assets are invested otherwise than in policies of insurance or annuity contracts.”.

(3) In regulation 6 –

(a) in paragraph (4) for the word “administrators” there shall be substituted the word “administrator”;

(b) after paragraph (5) there shall be inserted –

“(6) For the purpose of section 3(7)(c) of the Act (number of individual trustees of an authorised scheme) the requirement for the appointment of a second individual trustee shall not apply where –

- (a) the scheme has less than two members;
- (b) the member of the scheme is the trustee of the scheme; and
- (c) the scheme is not a self-administered scheme.”.

(4) After regulation 7 there shall be inserted –

“Schemes written under Deed Poll

8. For the purpose of section 3(7)(a) of the Act (property of a scheme to be held under trust) the requirement for the constitutional documents of a scheme to irrevocably provide for the trustee to hold all the property of the scheme in trust for the beneficiaries of the scheme shall not apply to any personal scheme which –

- (a) is approved under section 2 of the Income Tax Act 1989; and
- (b) is written under Deed Poll established by an insurer.”.

⁶ SD 647/01 (as amended by SD596/04)

⁷ 1986 c.24

Amendment to the Retirement Benefits Schemes (Independent and Nominated Trustee Requirement) Regulations 2004

6. (1) The Retirement Benefits Schemes (Independent and Nominated Trustee Requirement) Regulations 2004⁸ shall be amended in accordance with the provisions of paragraphs (2) and (3).

(2) In regulation 2 there shall be inserted in the relevant place –

““chief executive” has the same meaning as in section 19 of the Act;”.

(3) In regulation 4(1) –

(a) at the end of sub-paragraph (a) the word “or” shall be omitted;

(b) in sub-paragraph (b)(i) for the words “the majority” there shall be substituted the words “at least half”;

(c) for sub-paragraph (b)(ii) there shall be substituted –

“(ii) each member of the scheme is either a director, chief executive, company secretary or controller of the employer or employers, as the case may be, or a trustee of the scheme; or”; and

(d) after sub-paragraph (b) there shall be inserted –

“(c) an occupational scheme established prior to the 1st May 2005 where –

(i) the scheme has less than two members;

(ii) the member of the scheme is a director, chief executive, company secretary or controller of a company that is sole trustee of the scheme; and

(iii) all of the income and other assets of the scheme are invested in policies of insurance or annuity contracts.”.

Made 15th February 2006



Minister for the Treasury

⁸ SD 594/04

EXPLANATORY NOTE

(This note is not part of the regulations)

These regulations are made under sections 1, 3, 6 and 51 of the Retirement Benefits Schemes Act 2000.

Regulation 1 provides for citation and commencement.

Regulations 2 and 3 primarily modify the Retirement Benefits Schemes (Domestic Schemes) (General Administration) Regulations 2004 and the Retirement Benefits Schemes (International Schemes) Regulations 2001 so as to introduce an optional exemption from the need for annual scheme accounts to be audited. The relaxation is restricted to schemes which have only one member, where the sole member has specified that the audit need not be undertaken.

Regulation 4 sets out amendments to be made to the Retirement Benefits Schemes (Excepted Schemes) Regulations 2001. It provides in relation to any occupational scheme established prior to the date of mandatory registration an exemption from the registration requirement for schemes which have only one member where that member is a trustee of the scheme and all of the scheme's assets are invested wholly in policies of insurance or annuity contracts.

Regulation 5 modifies the Retirement Benefits Schemes (Management and Miscellaneous Provisions) Regulations 2001. It provides in respect of wholly insured tax approved personal pension schemes written under Deed Poll an exemption from the primary requirement that the property of the scheme must be held in trust. It also provides for certain insured single member retirement benefits schemes a relaxation from the requirement for additional trustees to be appointed.

Regulation 6 amends the Retirement Benefits Schemes (Independent and Nominated Trustee Requirement) Regulations 2004. It modifies the existing requirements that govern the need for a trustee that is independent of the employer of the member to be appointed for occupational schemes.

