

Statutory Document No. 2018/0147



*Insurance (Amendment) Act 2017*

## **INSURANCE (AMENDMENT) ACT 2017 (APPOINTED DAY) (NO.2) ORDER 2018**

*Made:* 17<sup>th</sup> May 2018  
*Laid before Tynwald:* 19<sup>th</sup> June 2018

The Isle of Man Financial Services Authority makes the following Order under section 2 of the Insurance (Amendment) Act 2017.

### **1 Title**

This Order is the Insurance (Amendment) Act 2017 (Appointed Day) (No.2) Order 2018.

### **2 Interpretation**

In this Order —

“**Act**” means the *Insurance (Amendment) Act 2017*;

“**associate**” has the same meaning as in the *Insurance Act 2008*;

“**insurer**” has the same meaning as in the *Insurance Act 2008*;

“**long-term business**” has the same meaning as in the *Insurance Act 2008*;

“**long-term insurance contracts**” has the same meaning as in the *Insurance Act 2008*.

### **3 Commencement of certain provisions of the Act on 31 May 2018**

(1) The provisions of the Act set out in paragraph (2) come into operation on 31 May 2018 for the purpose of enabling the Authority to make regulations under —

- (a) the provisions of the *Insurance Act 2008* amended or substituted by those provisions of the Act; or
- (b) the provisions inserted into the *Insurance Act 2008* by those provisions of the Act,

in respect of any long-term business carried on by an insurer.

(2) The provisions of the Act are —

- (a) section 5 (capital requirements for authorised insurers: section 12 substituted); and
  - (b) section 6 (duties of authorised insurers and powers of Authority in relation to solvency: sections 12A to 12D inserted) to the extent that it inserts section 12A into the *Insurance Act 2008*.
- (3) Paragraph 1(10) of Schedule 2 to the Act, and section 63 of the Act to the extent that it gives effect to that provision, comes into operation on 31 May 2018 in respect of any long-term business carried on by an insurer.
- (4) Paragraph 1(1) of Schedule 2 to the Act, and section 63 of the Act to the extent that it gives effect to that provision, comes into operation on 31 May 2018 for all purposes.

**4 Commencement of certain provisions of the Act on 30 June 2018**

- (1) The following provisions of the Act come into operation on 30 June 2018 in respect of any long-term business carried on by an insurer —
- (a) section 5 to the extent it is not already in operation;
  - (b) section 6 to the extent it is not already in operation;
  - (c) section 7;
  - (d) section 10; and
  - (d) paragraph 1(2), 1(6)(a)(ii) and 1(8) of Schedule 2 and section 63 to the extent that it gives effect to those provisions.
- (2) The sections of the Act set out in column 1 of the Table below come into operation on 30 June 2018 for all purposes subject to any note set out in column 2 —

Sections	Note
Section 8 (abolition of requirement to maintain long-term business fund: section 19 repealed)	
Section 9 (abolition of requirements in relation to long-term business fund: section 20 repealed)	
Section 11 (requirement for court sanction except where transferor is holder of a permit issued under section 22: Schedule 2 amended)	
Section 12 (transfer of insurance business: section 21 amended)	
Section 14 (time limits for submission of accounts and other documents: section 14 amended)	

Section 15 (accounting requirements for registered insurance managers and intermediaries: Part 6A inserted)	
Section 16 (name of professional body for actuaries: section 18 amended)	To the extent it is not already in operation.
Section 17 (offence (actuary): section 53 amended)	
Section 18 (duty of auditors of authorised insurers to report misconduct: section 15A inserted)	
Section 19 (requirement for insurance managers and intermediaries to appoint auditors: section 27B inserted)	
Section 20 (duty of auditors of registered insurance managers and intermediaries to report misconduct: section 27C inserted)	
Section 21 (service of notice where principal control officer is appointed: section 29 amended)	To the extent it is not already in operation.
Section 26 (authorised insurer to have regard to principles of good corporate governance: section 17A inserted)	
Section 27 (insurance manager and intermediary to have regard to the principles of good corporate governance: section 27D inserted)	
Section 28 (prohibition on acting as authorised insurer: section 5 amended)	
Section 29 (provision of documentation: section 6 amended)	
Section 30 (requirements for authorisation: section 7 amended)	
Section 31 (surrender of authorisation by authorised insurers: section 10A inserted)	
Section 32 (prohibition on acting as insurance manager: section 23 amended)	
Section 33 (prohibition on acting as insurance intermediary: section 24 amended)	
Section 34 (requirements for registration as insurance manager or intermediary: section	

25 amended)	
Section 36 (cancellation of registration of insurance managers and insurance intermediaries: section 26A inserted)	
Section 37 (power of Authority to require insurance managers and intermediaries to maintain assets in Island: section 31 amended)	
Section 38 (evidence in proceedings for winding up of insurance managers and intermediaries: section 27 amended)	
Section 39 (definition of insurance intermediary: section 4 amended)	
Section 40 (prohibitions: sections 29A to 29E inserted)	
Section 41 (power to issue of public statement where contravention of prohibition: section 35 amended)	
Section 42 (injunction where contravention of prohibition: section 38 amended)	
Section 43 (remedies (appointment of receivers and business managers): sections 39A and 39B inserted)	
Section 44 (residual power to impose requirements: section 33 amended)	
Section 45 (Authority's power to appoint independent expert: Schedule 5 amended)	
Section 46 (disclosure of information: Schedule 6 amended)	
Section 47 (permission for foreign insurer to carry on non-insurance business away from the Island: section 22 amended)	To the extent it is not already in operation.
Section 48 (definition of senior manager: section 37 amended)	
Section 49(1), (3) and (4)(c) (payment and recovery of fees: section 47 amended)	
Section 50 (registers to be kept in electronic form: section 48 amended)	
Section 52 (false or misleading statements: section 52 amended)	
Section 53 (definition of holding company:	

section 54 amended)	
Section 55 (transfer of functions (tribunals)) (including Schedule 1)	
Section 56 (definition of controller: section 54 amended)	

- (3) The following provisions of Schedule 2 to the Act, and section 63 to the extent that it gives effect to those provisions, come into operation on 30 June 2018 for all purposes —
- (a) paragraph 1(3);
  - (b) paragraph 1(4);
  - (c) paragraph 1(6)(a)(i), (iii) and (iv);
  - (d) paragraph 1(6)(b);
  - (e) paragraph 1(6)(c);
  - (f) paragraph 1(7);
  - (g) paragraph 1(9); and
  - (h) Part 2 of Schedule 2.

## 5 Commencement of certain provisions of the Act on 30 November 2018

The following provisions of the Act come into operation on 30 November 2018 for the purpose of enabling the Authority to make regulations under the provisions inserted into the *Insurance Act 2008* by those provisions of the Act, in relation to persons carrying on long-term business only —

- (a) section 13 (group supervision of authorised insurers: Part 4A inserted); and
- (b) paragraph 1(5)(a) of Schedule 2 and section 63 to the extent that it gives effect to that provision.

## 6 Commencement of certain provisions of the Act on 1 January 2019

The following provisions of the Act come into operation on 1 January 2019 in relation to persons carrying on long-term business only —

- (a) section 13 (group supervision of authorised insurers: Part 4A inserted) to the extent it is not already in operation;
- (b) paragraph 1(5)(a) of Schedule 2, and section 63 to the extent that it gives effect to that provision, to the extent it is not already in operation; and
- (c) paragraph 1(5)(b) of Schedule 2 and section 63 to the extent that it gives effect to that provision.

**MADE 17<sup>TH</sup> MAY 2018**

**K. BADGEROW**  
*Chief Executive*

**G. F. KARRAN**  
*Chairman, Isle of Man Financial Services Authority*

*EXPLANATORY NOTE*

*(This note is not part of the Order)*

This Order provides for the commencement of most of the provisions of the Insurance (Amendment) Act 2017.

In particular, this Order provides for the commencement of the new capital requirements provisions only in respect of long-term business being carried on by an insurer. This Order does not commence the new capital requirements provisions in relation to other types of insurance business being carried on by an insurer.

The Order also commences the new group supervision provisions in respect of insurers carrying on long-term business only. The Order does not commence the new group supervision provisions in respect of insurers carrying on —

- (a) other types of insurance business; or
- (b) other types of insurance business and long-term business.