



# Financial Supervision Commission

P.O. Box 58, Finch Hill House, Bucks Road, Douglas, Isle of Man, IM99 IDT

## **Isle of Man leads the way in disaster recovery facilities for financial services businesses**

The Isle of Man Tynwald has approved a regime which will allow banks, investment businesses and corporate service providers regulated in approved jurisdictions to use Isle of Man based computer servers for their disaster recovery arrangements without the need for a licence from the Financial Supervision Commission ("FSC"). It is anticipated that the regulations, combined with an excellent technology infrastructure, will make the Isle of Man a jurisdiction of choice for temporary business continuity planning.

In the modern world, businesses are increasingly focusing on risk and risk mitigation. A key business risk that must be addressed is that of loss of data following a computer failure, natural disaster or terrorist action.

In the case of financial businesses from other jurisdictions, the live processing of transactions on servers in the Isle of Man may constitute regulated financial business. If a licence is not held this function could constitute an offence. The FSC has addressed this problem by allowing qualifying businesses an exemption from Isle of Man regulations in controlled circumstances, where their home regulator has entered into an appropriate agreement with the FSC.

John Aspden, Chief Executive, said that "The Isle of Man Government has given a strong public commitment to the development of e-business on the Island. The FSC sees these exemption regulations as supporting this important initiative, whilst also addressing the regulatory issues."

Questions concerning the regulations should be addressed to Mr John Aspden Tel: 44 (1624) 689300

### **BACKGROUND**

The regulations, which received Tynwald approval 16 October 2002, are as follows:

Banking (Exemptions) (Temporary Business Continuity Operations) Regulations 2002 (SD588/02)  
Investment Business (Exemptions) (Temporary Business Continuity Operations) Regulations 2002 (SD589/02)  
Corporate Service Provider (Exemptions) (Temporary Business Continuity Operations) Regulations 2002 (SD590/02)

Copies of the regulations are available from

The Tynwald Library (Telephone: 44 (1624) 685520 Fax: 44 (1624) 685522)  
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