

## Perimeter Guidance – Provision of Registered Office

### 1. Introduction

This guidance has been developed by the Isle of Man Financial Services Authority ('the Authority') concerning the provision of registered office and accommodation address services, particularly in the context of shared serviced offices and incubator-style business hubs.

The purpose of this guidance is to assist companies and individuals in determining whether their activities may fall within the regulatory perimeter under the [Financial Services Act 2008](#) ('FSA08') specifically, under Class 4 of the [Regulated Activities Order 2011](#) ('RAO')<sup>1</sup>.

The Authority's intention is to clarify the application of the existing regulatory framework. This guidance:

- Outlines when activities may constitute regulated financial services;
- Explains relevant exclusions and exemptions;
- Highlights where providers may inadvertently fall within the scope of the legislation; and
- Sets out expectations regarding compliance and supervision.

The Authority cannot provide legal advice. Independent legal advice should be sought on specific circumstances. Reliance should be placed on the applicable legislation in force at the time. **This document is intended as guidance only.**

### 2. General Overview

#### 2.1 Regulatory Context

Under the FSA08, it is an offence to carry on a regulated activity by way of business in or from the Isle of Man without holding the appropriate license, unless an exclusion or exemption applies (Section 4 – the general prohibition).

Regulated activities are defined in secondary legislation made under the FSA08 – specifically, the RAO. A reference in this document to a Class of regulated activity under the FSA08 refers to a class specified in the RAO.

Within Schedule 1 to the RAO, Class 4 (Corporate Services) specifies the different activities that constitute corporate services. The following sections list the regulated activities most relevant to this guidance.

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<sup>1</sup> [Regulated Activities Order 2011](#)

## 2.2 Registered Office Services – Companies and Partnerships

Class 4(3) provides that the following is a regulated activity:

*“Providing or arranging for premises for use as a registered office for a company”*

Similarly, Class 4(12) provides for partnerships:

*“Providing or arranging for premises for use as a registered office for a partnership.”*

These provisions apply where a person provides an address that is used as the official registered office for a company or partnership. This includes the address submitted to the Companies Registry under applicable company law and noted on the public register. It is important to highlight that the provision may apply to a person providing an address either directly or by a separate arrangement.

## 2.3 Accommodation Address Facilities – Companies and Partnerships

Class 4(4) states:

*“Providing or arranging for accommodation address facilities for a company.”*

Class 4(13) applies similarly to partnerships:

*“Providing or arranging for accommodation address facilities for a partnership.”*

The term “accommodation address facilities” is defined within the RAO as follows:

*“Accommodation address facilities means the provision of an address at, or within which any of the following services are provided —*

- (a) the receipt or dispatch on behalf of a person of any communication or packet by post, a courier service, hand delivery, a telecommunications system, wireless telegraphy or any electronic medium;*
- (b) the redirection of communications or packets on behalf of a person;*
- (c) facilities for the service of process and notices on a company as provided by section 11(4) of the Foreign Companies Act 2014;”*

This means that a person may be carrying on a regulated activity even if the address is not a company’s registered office, but is still used as a mailing, correspondence, or service address, and any of the above services are provided at that address.

## 2.4 Purpose of Regulation

The inclusion of registered office and accommodation address services within Class 4 is intended to ensure that:

- The Authority has regulatory oversight of entities facilitating the formal establishment or operation of companies and partnerships in the Isle of Man; and
- Potential money laundering or terrorist financing, fraud, or transparency risks are mitigated by subjecting service providers to appropriate licensing or registration obligations.

They form a critical role in protecting the perimeter insofar as the effective regulation of corporate services activity is concerned. They are one of the few roles in relation to corporate entities establishing an Isle of Man presence that must take place in the Isle of Man.

### 3. When is the Activity Regulated?

#### 3.1 Registered Office

The provision of an address that is used as the official registered office of a company or partnership is a regulated activity under Class 4(3) or 4(12), respectively.

There is no requirement in the RAO for the activity to be separately marketed or advertised as a registered office service. The key factor is whether the address is actually used as a registered office – such as the address recorded on the public register maintained by the Companies Registry.

This applies to:

- Companies formed under the Companies Act 1931(s.3)<sup>2</sup>
- Companies formed under the Companies Act 2006 (s.219)<sup>3</sup>
- Companies formed under the Limited Liability Companies Act 1996
- Foundations established under the Foundations Act 2011
- Partnerships established under the Partnership Act 1909

#### 3.2 Accommodation Address Facilities

Accommodation address services are regulated whether or not the address is used as the company's official registered office. The scope includes passive or forwarding addresses used for business correspondence, as well as addresses listed for legal service of documents.

### 4. Exclusion Example:

#### Landlord, Property Manager of Estate Agent (RAO 4(a))

##### 4.1 Overview of Exclusion 4(a)

Paragraph 4(a) of Class 4 states:

*“In the case of an activity falling within paragraph (3), (4), (12) or (13) of Class 4, where a person acts in his capacity as a landlord, property manager or estate agent and such activity*

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<sup>2</sup> [Companies Act 1931](#)

<sup>3</sup> [Companies Act 2006](#)

*is wholly incidental to that capacity, subject to the activity resulting in the granting of exclusive possession of the premises or accommodation address in question.”*

This exclusion is intended to ensure that ordinary property or tenancy management activity is not inadvertently caught within the financial services’ regulatory perimeter.

The exclusion only applies if **all three** of the following conditions are met:

- The person is **acting in their capacity** as a landlord, property manager or estate agent;
- The relevant activity (e.g. provision of registered office or accommodation address) is **wholly incidental** to that capacity; and
- The arrangement results in the granting of **exclusive possession** of the premises or address.

## 4.2 Meaning of “Wholly Incidental”

The exclusion only applies where the regulated activity is wholly incidental to the person’s role as landlord, property manager, or estate agent. This means:

- The provision of a registered office or accommodation address must be a secondary, non-commercial aspect of their main role;
- The address service must not be separately marketed, charged for, or constitute a significant part of the overall business offering.

Where the person’s business model includes actively offering registered office services – even as part of a serviced office or incubator facility, the activity is unlikely to be considered as being wholly incidental.

## 4.3 Meaning of “Exclusive Possession”

The concept of exclusive possession is a legal term derived from property law. It generally means the right to:

- Use the premises to the exclusion of all others (including the landlord, except for reserved rights);
- Occupy the space as though the occupier were the owner, subject to any express limitations.

In the context of shared or serviced offices:

- Hot-desking, ad hoc use of a shared space or flexible arrangements where others have access to the same desk or area will generally not meet the test for exclusive possession.
- Dedicated rooms or lockable offices where the occupier has control over the space and can exclude others, may, constitute exclusive possession, depending on the terms of the agreement.

## 4.4 Application to Shared Office Environments

In the case of shared office environments or incubator style facilities:

- Providers typically do not grant exclusive possession of the space; rather they tend to offer non-exclusive use of desks, rooms or shared areas.
- Even where exclusive possession is arguably granted (e.g. private lockable office), the provision of the registered office service is often an intentional, advertised feature of the service offering.
- The activity is therefore unlikely to be “wholly incidental” to the provider’s capacity as landlord or property manager.

As a result, most serviced office and co-working space providers are unlikely to be able to rely on Exclusion 4(a) of the RAO, even if they own or manage the premises.

## 4.5 Summary of Exclusion 4(a) Criteria

Test	Requirement	Met in a typical shared office scenario?
Landlord/Property/Manager /Estate agent?	Must be acting in this specific capacity.	Sometimes – depending on contractual arrangements.
Exclusive Possession	Must grant full control of specific space.	Unlikely – hot desking and shared access arrangements are common.
Wholly Incidental?	Must be secondary to the primary property management activity.	Rarely – often part of the providers core service.

# 5. Exemption Example: Domestic Services (Exemption 4.7)

## 5.1 Overview of Exemption 4.7

The [Financial Services \(Exemptions\) Regulations 2011](#) (“FSER”) set out certain specific circumstances where, notwithstanding that a person is carrying on a regulated activity that usually requires a licence, they are exempted by those circumstances from requiring such a licence.

FSER, Schedule 1, paragraph 4.7 states:

*“in relation to an activity falling within paragraphs (1) to (4) and (6) to (15) of Class 4, section 4 does not apply to a person who is resident in the Island and where the company or partnership which is the subject of the activity —*

*(a) is resident in the Island;*

*(b) has a permanent establishment in the Island; and*

*(c) carries on as its sole or principal trade or business —*

*(i) the holding of assets which are beneficially owned by persons who are resident in the Island; or*

*(ii) the supply made within the Island of any goods or services; or*

*(iii) the manufacture in the Island of any goods; or*

*(iv) the holding of real property where the majority of that property is in the Isle of Man.”*

This exemption may apply to activities that would otherwise fall within Class 4 (3), (4), (12), or (13) (i.e. provision of registered office or accommodation address services to companies or partnerships), provided the criteria are met.

## 5.2 Conditions for Exemption

To rely on the exemption all of the criteria need to be met:

Condition	Explanation
1. The service provider is resident in the Isle of Man.	The individual or entity providing the service must be based in the Island.
2. The company or partnership is also resident in the Isle of Man.	The client entity must be Manx resident.
3. The company or partnership has a permanent establishment in the Isle of Man.	This describes the requirement to have a physical presence in the Isle of Man, such as an office or employees.
4. The company's or partnership's sole or principal business meets one of the four prescribed categories.	See 5.3 below.

If any of the above conditions are not met, the exemption does not apply and cannot be relied upon. The activity will require a license unless an exclusion applies.

## 5.3 Qualifying Business Activities under Paragraph 4.7(c)

To qualify under paragraph (c), the company or partnership must carry on, as its sole or principal business, one of the following:

1. The holding of assets beneficially owned by persons resident in the Isle of Man.
2. The supply within the Island of goods and services.
3. The manufacture in the Island of the goods.
4. The holding of real property, where the majority of that property is located within the Isle of Man.

The exemption **is unlikely to** apply if:

- The service provider(s) are non-resident;
- The beneficial owner(s) are non-resident;
- The company has no permanent residence or place of business in the Island (commonly referred to as a brass plate business);
- The business is internationally oriented (e.g. holding assets for non-residents or operating online services abroad); or
- The business is using the address only for registration and not conducting substantive activity in the Isle of Man.

## 5.4 Conclusion

Exemption 4.7 (Domestic Services) is intended to exempt firms (typically accountants or law firms) which offer registered office services to local resident companies which are locally managed and locally owned. The provision of registered offices for entities conducting activities outside the Isle of Man may require a licence. Careful consideration should be given to the facts in each case before relying on this exemption. Where in doubt, professional advice should be obtained.

## 6. AML/CFT and POCA08 Considerations

### 6.1 Overview

The Isle of Man's anti-money laundering and countering the financing of terrorism ('AML/CFT') framework is primarily governed by the Proceeds of Crime Act 2008 ('POCA08') and legislation made under that Act including the AML/CFT Code 2019 ('the Code').

These apply to persons conducting business in the regulated sector, including those carrying on regulated activity by way of business under the FSA08, whether or not those persons are licensed, or exempt from licensing.

### 6.2 POCA08 – Business in the Regulated Sector

The definition of "Business in the Regulated Sector" is set out in Schedule 4 to POCA08. Paragraph 2(1)(a) states:

*"(1) A business is in the regulated sector to the extent it —*  
*(a) is a business or carries on an activity to which sub-paragraph (6) applies, which is conducted —*  
*(i) by way of business; and*  
*(ii) in or from the Island;*  
*(b) is a business or carries on an activity to which sub-paragraph (11) applies, which is conducted by way of business; or*  
*(c) undertakes an activity to which sub-paragraph (12) applies, which is carried on in or from the Island, within the meaning of the Designated Businesses (Registration and Oversight) Act 2015."*

Sub-paragraph (6)(a) then confirms that this includes:

*"...engaging in any regulated activity within the meaning of the Financial Services Act 2008, whether or not an exemption specified in the Financial Services (Exemptions) Regulations 2016..., applies to that activity;"*

Accordingly, a person who provides registered office services (Class 4(3) or 4(12)) or accommodation address facilities (Class 4(4) or 4(13)), is carrying on business in the regulated sector under POCA08, even if they rely on an exemption such as Exemption 4.7 (Domestic Services) and does not require a license under the FSA08.

### 6.3 AML/CFT Code – Application to Relevant Persons

The Code applies to all persons who meet the definition of a relevant person under part 1, paragraph 3(1) of the Code. Relevant person is defined as:

*“a person carrying on business in the regulated sector which is included in paragraphs 2(6)(a) to (t) of Schedule 4 to the Proceeds of Crime Act 2008;”*

This means a person or entity relying on Exemption 4.7 – while not requiring a license – is still a relevant person for AML/CFT purposes and must comply fully with the Code.

Obligations under the Code include (but are not limited to):

- Risk assessment and adoption of written procedures;
- Customer due diligence (CDD) and verification;
- Ongoing monitoring of business relationships;
- Record Keeping and internal reporting procedures;
- Filing of suspicious activity reports.

## 7. Conclusion

The provision of registered office and accommodation address services is a regulated activity under Class 4. Persons conducting these activities by way of business must consider whether they require a license under the FSA08, or whether they fall within a relevant exclusion or exemption.

Exclusion 4(a) will only apply where the activity is both *wholly* incidental to the person’s capacity as a landlord, property manager or estate agent, *and* results in the granting of exclusive possession. Most shared office or serviced space providers are unlikely to meet these criteria and should not assume that this exclusion applies.

Providers should carefully assess their business models to determine whether:

- They are facilitating the use of their premises as a registered office or accommodation address;
- They are handling communications or post in a way that constitutes Class 4(4) activity; and
- Their clients are genuinely operating from the premises or using it solely for statutory purposes.

Where a person relies on Exemption 4.7 (Domestic Services) and is not required to be licensed, that person is still likely to be considered to be carrying on business within the regulated sector for the purposes of POCA08 and are subject to the AML/CFT Code as a relevant person.

When there is uncertainty, providers are encouraged to seek independent legal advice.

Providers run the risk of regulatory action if they are providing these services without appropriate authorisation or controls.



Further guidance highlighting some of the requirements relating to a registered office, issued by the Central Registry of the Isle of Man can be found in this [Practice Note](#).

## 8. Questions

If you have a question in relation to this Guidance Note, please email [Policy@iomfsa.im](mailto:Policy@iomfsa.im).

## 9. Version History

Version	Date	Comment
1.0	15th September 2025	First issued.