

## Notice of Fees

Published in accordance with:	<b>Article 21 of the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008, as amended</b>
Payable by or in relation to:	<b>Registered Persons</b>  (specified Schedule 2 business, including estate agency services and lending but excluding services provided by firms of accountants and firms of lawyers)
Pursuant to:	<b>Article 20 of the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008, as amended</b>
Commencement date:	The fees set out in this notice and the attached schedule are effective for the period from 1 January – 31 December 2019

### 1 Interpretation

1.1 In this notice, unless the context otherwise requires –

contract of employment, contract of service or partnership agreement	means an agreement between two or more parties whether express or implied and (if it is express) whether oral or in writing;
JFSC/Commission	means the Jersey Financial Services Commission
registered person	means a person or persons (including but not limited to a sole trader): (a) who carries on business alone or with others that falls within the scope of Schedule 2 of the Proceeds of Crime (Jersey) Law 1999, as amended, <b>EXCEPT</b> business that is defined in paragraphs 1 and 2 (lawyers and accountants) of Part B of Schedule 2; <u>and</u> (b) who is required to hold either a Level 1 or Level 2 registration under the Supervisory Bodies Law;
relevant date	means the last working day of the year immediately preceding the calendar year to which the fee relates;
relevant employee	means an individual who: (a) works under a contract of employment or any other contract of service; (b) practises alone or with others under the terms of a partnership agreement; or (c) is otherwise engaged within the business of a registered person, in all cases where the individual undertakes to do or perform, directly or indirectly, any work or service within a registered person, whether

	or not engaged directly by the registered person or through another entity forming part of the group of entities of which the registered person is a part, and the registered person is not by virtue of the contract a client or customer of the individual, and “relevant employee” shall be construed accordingly;
sole trader	means a person who is the sole proprietor of a registered person and who does not practise Schedule 2 business with any other person and who does not engage any relevant employee;
Supervisory Bodies Law	means the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008, as amended.

**2 Calculation of number of relevant employees**

- 2.1 For clarity, for the purposes of this notice “relevant employee” includes but is not limited to:
- (a) a partner carrying on Schedule 2 business whether alone or with others;
  - (b) an individual classified as self-employed for tax or social security purposes but in all other respects meets the definition of relevant employee;
  - (c) an individual based or working outside Jersey but engaged within the Jersey business of the registered person; and
  - (d) an individual engaged by a registered person which is a Jersey entity wherever in the world that individual works or is based and whether or not that individual is engaged in the Jersey business of that registered person.
- 2.2 For individuals with fixed term contracts that do not span the full calendar year, the hours worked should be annualised and the bandings (see paragraph 2.3) applied when calculating the number of relevant employees.
- 2.3 The following bandings should be applied when calculating the number of total relevant employees:
- (a) up to and including 9 hours per week 0.25 of a person;
  - (b) over 9 hours and up to and including 18 hours per week 0.50 of a person;
  - (c) over 18 hours and up to and including 27 hours per week 0.75 of a person;
  - (d) over 27 hours per week 1 person.
- 2.4 The calculation of the number of relevant employees should be undertaken as at the relevant date based upon the relevant employee’s engagement over the preceding 12 months. If, on the relevant date, there exists a post that is vacant but would normally be occupied by an individual who meets the definition of a relevant employee the calculation should include that position.
- 2.5 *Example 1: fixed term contract.* An individual who has a fixed term contract and is contracted to work full time (35 hours per week) for four months would equate to:
- $35 \text{ hours} \times 4 \text{ months} \div 12 \text{ months} = 11.67 \text{ hours per week}$
- The individual would therefore be equivalent to 0.5 of a person in calculating the number of relevant employees.
- 2.6 *Example 2: part time working.* An individual who is employed part time for the whole year at 25 hours per week would represent 0.75 of a person in the calculation of the number of relevant employees.

- 2.7 *Example 3: part time working + fixed term contract.* An individual who is employed part time on a fixed contract (20 hours per week for 6 months) would equate to:

$$20 \text{ hours} \times 6 \text{ months} \div 12 \text{ months} = 10 \text{ hours per week}$$

The individual would therefore be equivalent to 0.5 of a person in calculating the number of relevant employees NOT 0.75 of a person.

### **3 Annual fee**

- 3.1 Registered persons shall pay an annual fee of an amount calculated in accordance with the table set out in the Schedule.
- 3.2 Payment of the annual fee should be made as follows:
- (a) in full, on or before 31 March 2019; or
  - (b) where the annual fee due is at least £1,000, and firms of accountants and firms of lawyers indicate that they intend to pay the annual fee on an instalment basis, then the annual fee is payable in four equal instalments. Payments should be made on or before:
    - (i) 31 March 2019;
    - (ii) 30 June 2019;
    - (iii) 30 September 2019; and
    - (iv) 31 December 2019.
- 3.3 The annual fee is subject to a fee cap of £17,590.

### **4 Late payment of fees and/or late submission of fees information**

- 4.1 If the annual fee (or an instalment payment, if relevant) is not received in full by the JFSC by the due date, an additional late payment fee of 5% of the unpaid principal amount will be applied on the day after the due date, and on the 1st day of each calendar month after that.
- 4.2 If the firm does not supply the required information to calculate its fee by 31 March 2019, an administration fee of £100 will be charged on 1 April 2019, and on the 1st day of each calendar month after that while the information is still outstanding. This is in addition to the late payment fee set out in paragraph 4.1 which will be calculated once the information has been submitted.

### **5 Application fee**

- 5.1 An application fee of £100 shall be payable in respect of an application by a person, or persons, intending to carry on business within the scope of this notice of fees.
- 5.2 The application fee is due at the time of application and is non-refundable.

### **6 Late filing fees**

- 6.1 If a registered person fails to file or deliver any document to the JFSC under the provisions of the Supervisory Bodies Law or under any provisions of any Order issued in accordance with the Supervisory Bodies Law on or before the date that the document becomes due, the registered person shall be liable to pay a fee of £100 for each complete month or part thereof that the document remains un-filed or undelivered unless the registered person has given the JFSC prior written notice of the reasons for the late filing or delivery of a document and the JFSC has agreed in writing that the filing may be late. Any such later agreed date shall become the due date for the purposes of the calculation and the payment of late filing fees.

## Schedule

	<b>Base Fee</b>	<b>Relevant employee element</b>
<b>Sole Trader</b>	£352	Not applicable
<b>All other firms</b>	£703	Plus: £175 per relevant employee calculated in accordance with this notice  (the total annual fee is capped at £17,590)