



Consultation on fee rates and associated issues for:

Financial Services (Jersey) Law 1998

Trust Company Business Fees

General Insurance Mediation Business Fees

Money Services Business Fees

Consultation Paper No. 10 2019

Issued: December 2019

Consultation Paper

The Jersey Financial Services Commission (**JFSC**) invites comments on this consultation paper by **10 January 2020**. If you require any assistance, clarification or wish to discuss any aspect of the proposal prior to formulating a response, it is of course appropriate to contact the JFSC.

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Alternatively, Lisa Springate at Jersey Finance Limited (**JFL**) is coordinating an Industry response that will incorporate any matters raised by local businesses. Comments should be submitted to JFL by **10 January 2020**.

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It is the policy of the JFSC to provide the content of responses for inspection unless specifically requested otherwise.

It is the policy of JFL (unless otherwise requested or agreed) to collate all responses and share them verbatim with the JFSC on an anonymised basis (with reference made only to the type of respondent, e.g. individual, law firm, trust company etc.). This collated, anonymised response will, typically, be placed in JFL's permanent electronic archive which is currently open to all JFL members.

Glossary of Terms

Defined terms are indicated throughout this document as follows:

Commission Law	Financial Services Commission (Jersey) Law 1998, as amended
GIMB	General Insurance Mediation Business
JFSC	Jersey Financial Services Commission
MSB	Money Service Business
TCB	Trust Company Business

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1 Consultation

1.1 Basis for consultation

- 1.1.1 The JFSC has issued this consultation paper in accordance with Article 8(3) of the Commission Law, as amended, under which the JFSC “may, in connection with the carrying out of its functions ...consult and seek the advice of such persons or bodies whether inside or outside Jersey as it considers appropriate”.
- 1.1.2 In addition, Article 15(3) of the Commission Law, requires that before the JFSC may introduce and publish any fee “...the Commission must first publish a report that must include:
- (a) details of the duty or power for or in respect of which the fee is to be determined;
 - (b) details of the proposed fee;
 - (ba) details of the extent (if any) to which any penalties received have reduced the level of fee that would otherwise have been proposed;
 - (c) a request for comments on the level of the proposed fee; and
 - (d) a date, that is at least 28 days after the publication of the report, before which those comments may be made to the Commission”.
- 1.1.3 Article 15(4) of the Commission Law provides that should the JFSC and a Representative Body be unable to agree a fee that the JFSC must request the Bailiff to appoint 3 Jurats to consider if the fee proposed is unreasonable.
- 1.1.4 The JFSC considers that the proposed fee rates are reasonable and that this consultation paper constitutes such a report as required by the Commission Law.

1.2 Who will be affected by the proposed changes?

- 1.2.1 These amendments will affect all persons registered under the Financial Services (Jersey) Law 1998 to conduct trust company business (**TCB**), general insurance mediation business (**GIMB**) and/or money service business (**MSB**) and persons that are issued with a registration certificate for such business on or after 1 January 2020.
- 1.2.2 The JFSC will issue Consultation Paper No. 11 2019 in December requesting feedback from industry on its proposed approach to the treatment of proceeds from Civil Financial Penalties.
- 1.2.3 If the approach proposed in Consultation Paper No. 11 2019 is adopted the fees for certain classes of licence holders are likely to be reduced in later fees periods.

1.3 Responding to the consultation

- 1.3.1 The JFSC invites comments in writing from interested parties on the proposals included in this consultation paper. Where comments are made by an industry body or association, that body or association should also provide a summary of the type of individuals and/or institutions that it represents.
- 1.3.2 Comments should be received by the JFSC no later than **10 January 2020**.

1.4 Next steps

- 1.4.1 Following this consultation, the JFSC will publish feedback to this Consultation Paper and final fees notices.
- 1.4.2 The new fee rates will take effect from 1 January.
- 1.4.3 Firms will be notified when they need to use the myJFSC portal to collect their invoices, or in the case of certain TCBs and GIMBs to supply data for use in calculating fees.
- 1.4.4 As the feedback to this Consultation Paper and associated fees notices will not be released until after 10 January 2020, the due date for the payment of fees will be at least 30 calendar days after the release of these documents.

2 The JFSC

2.1 Overview

- 2.1.1 The JFSC is a statutory body corporate established under the Commission Law. It is responsible for the supervision and development of financial services provided in or from within Jersey.
- 2.1.2 Article 15(2) of the Commission Law provides that fees set by the JFSC are to be retained and must, together with any other income;
 - 2.1.2.1 raise sufficient income to meet the JFSC's liabilities;
 - 2.1.2.2 cover the JFSC's expenses; and
 - 2.1.2.3 provide a reserve for the JFSC of such amount as it considers necessary.

2.2 The JFSC's functions

- 2.2.1 Article 5 of the Commission Law prescribes that the JFSC shall be responsible for:
 - 2.2.1.1 The supervision and development of financial services provided in or from within Jersey;
 - 2.2.1.2 Providing the States, any Minister or any other public body with reports, advice, assistance and information in relation to any matter connected with financial services;
 - 2.2.1.3 Preparing and submitting to the Minister recommendations for the introduction, amendment or replacement of legislation appertaining to financial services, companies and other forms of business structure;
 - 2.2.1.4 Such functions in relation to financial services or such incidental or ancillary matters:
 - › As are required or authorised by or under any enactment, or
 - › As the States may, by Regulations, transfer; and
 - 2.2.1.5 Such other functions as are conferred on the JFSC by any other Law or enactment.

2.3 Guiding principles

- 2.3.1 Article 7 of the Commission Law provides that in exercising its functions the JFSC may take into account any appropriate matter, but that it shall have particular regard to:

- 2.3.1.1 The reduction of the risk to the public of financial loss due to dishonesty, incompetence or malpractice by, or the financial unsoundness of, persons carrying on the business of financial services in or from within Jersey;
- 2.3.1.2 The protection and enhancement of the reputation and integrity of Jersey in commercial and financial matters;
- 2.3.1.3 The best economic interests of Jersey; and
- 2.3.1.4 The need to counter financial crime in both Jersey and elsewhere.

3 Fee proposals

3.1 All fee rates

- 3.1.1 The proposals in this Consultation Paper seek to ensure that the JFSC obtains sufficient funding to carry out its supervisory objectives; to provide additional funding in support of the JFSC's work in respect of combatting financial crime; to enhance our data analytics capacity and to provide investment in the JFSC's reserves to return them to a level equal to at least six months' expenditure by 2022.
- 3.1.2 In 2021/2022, the Island will undergo its next MONEYVAL assessment. A strongly positive outcome to the assessment is considered crucial to the continued ability of the Island's financial services industry to access international markets efficiently. Jersey's Government has indicated that such an outcome to the assessment is one of its key targets over the course of the current Island Strategic Plan. In any event, the JFSC is of the view that the supervision of financial crime will require a significantly enhanced supervisory capacity in the next period having regard to the increasing sophistication and scale of financial crime risks.
- 3.1.3 The JFSC's efforts towards achieving a strongly positive outcome with regard to the forthcoming MONEYVAL assessment and tackling these financial crime risks are focused on demonstrating effective supervision as a key part of Jersey's AML/CFT regime, adequate remediation and enforcement activities, sufficient development of systems and data as well as ensuring the regime's overall compliance with FATF Recommendations. This work has already begun and the JFSC is currently building its Financial Crime supervision capacity.
- 3.1.4 The Commission Law contemplates increases to fees in line with RPI, however, the cost of regulation has been and continues to rise well in excess of this metric.
- 3.1.5 As noted in Feedback to Consultation Papers No.4, No. 5 and No. 6 2019 in respect of the Funds, Insurance and Banking Industries, the JFSC is keen to discuss its fee structures with all industry sectors. During the course of 2020 the JFSC intends to hold strategic discussions with the Trust Company Business, General Insurance Mediation Business and Money Service Business sectors and to consult on potential methodologies to ensure that there is proportionality across the fees base.

4 TCB fee proposals

4.1 Proposed changes to fee rates and associated issues

- 4.1.1 The JFSC proposes to:
 - 4.1.1.1 Increase fee rates for TCBs, including application fees, by 16% for 2019, rounded to the nearest £5;

- 4.1.1.2 Increase the monetary level of the firm fee “cap” by 18% and the related percentage to 90%.
- 4.1.2 The change in fees experienced by any specific firm will depend on its business complexion with respect to employees and classes of licence held combined with the new fee rates.
- 4.1.3 The rate of increase comprises:
- 4.1.3.1 a component of 2.7%, being the most recent Jersey RPI prior to publication; and
- 4.1.3.2 a further 13.3% comprising:
- › a contribution towards meeting the significantly higher costs of the Island project to enhance the JFSC’s work in respect of countering financial crime, which has already been initiated;
 - › investment towards restoring the JFSC’s reserves to a level of six months’ total expenditure from the prior year; and
 - › investment towards successfully implementing the JFSC’s strategy including enhanced data analytics and industry portals.
- 4.1.4 The main drivers of this calculation is JFSC’s new project to significantly enhance its supervision of financial crime.
- 4.1.5 The reserves of the JFSC have been reducing for some time as a result of capital investment in technology which enhances our supervisory effectiveness. A small contribution beginning to reverse this is included in the proposal. This will only go a very small way to beginning to reverse the trend of declining reserves.
- 4.1.6 The JFSC now has increased demands for data analytics due to the increased volume of data it holds and the need to analyse and report on that data.
- 4.1.7 The JFSC has gradually raised its income from the Trust Company Business sector in line with the strategic approach set out in 2015. This increased income has contributed to funding the Change Programme on which we reported in our 2018 Annual Report.
- 4.1.8 Investment has been critical to maintaining the JFSC’s supervisory effectiveness at a time when compliance costs for industry and supervisory costs for regulators have been rising in tandem.
- 4.1.9 As stated at 1.2.3, “If the approach proposed in Consultation Paper No. 11 2019 is adopted the fees for certain classes of licence holders are likely to be reduced in later fees periods.”
- 4.1.10 In addition to the across the board increase of 16% to fee rates and 18% to the monetary level of the “cap”, it is also proposed to raise the percentage of the fees cap to 90% (currently 85%). This is in line with feedback to Consultation Paper No.10 2015 in which the JFSC confirmed that it would be implementing proposals to remove fees caps which, in respect of TCB fees, has been implemented gradually through Consultations No. 11 2015, No. 9 2016 and No. 11 2017, No. 9 2018 and continues through this consultation.
- 4.1.11 A draft fees notice reflecting the proposal can be found in Appendix B.
- 4.1.12 Changes in the number of TCB licences and/or employees (and/or authorisation income) may mean that we raise more or less than our target amount of fee income in 2020.

4.1.13 Question 1

Do you agree with the proposals relating to TCBs?

5 GIMB fee proposals

5.1 Proposed changes to fee rates and associated issues

- 5.1.1 The JFSC proposes to increase the fee rates for GIMBs by 18% rounded to the nearest £5.
- 5.1.2 The rate of increase comprises:
- 5.1.2.1 a component of 2.7%, being the most recent Jersey RPI prior to publication; and
- 5.1.2.2 a further 15.3% comprising:
- › a contribution towards meeting the significantly higher costs of the Island project to enhance the JFSC's work in respect of countering financial crime, which has already been initiated;
 - › investment towards restoring the JFSC's reserves to a level of six months' total expenditure from the prior year; and
 - › investment towards successfully implementing the JFSC's strategy including enhanced data analytics and industry portals.
- 5.1.3 The main drivers of this calculation is JFSC's new project to significantly enhance its supervision of financial crime.
- 5.1.4 The reserves of the JFSC have been reducing for some time as a result of capital investment in technology which enhances our supervisory effectiveness. A small contribution beginning to reverse this is included in the proposal. This will only go a very small way to beginning to reverse the trend of declining reserves.
- 5.1.5 The JFSC now has increased demands for data analytics due to the increased volume of data it holds and the need to analyse and report on that data.
- 5.1.6 The JFSC has gradually raised its income from the GIMB sector in line with the strategic approach set out in 2015. This increased income has contributed to funding the Change Programme on which we reported in our 2018 Annual Report.
- 5.1.7 Investment has been critical to maintaining the JFSC's supervisory effectiveness at a time when compliance costs for industry and supervisory costs for regulators have been rising in tandem.
- 5.1.8 As stated at 1.2.3, "If the approach proposed in Consultation Paper No. 11 2019 is adopted the fees for certain classes of licence holders are likely to be reduced in later fees periods."
- 5.1.9 The draft fees notice reflecting the proposals can be found in Appendix C.
- 5.1.10 Because of changes in licensees and their business levels, we may end up collecting more or less than our target level of fee income in 2020.

5.1.11 Question 2

Do you agree with the proposals relating to GIMBs?

6 MSB fee proposals

6.1 Proposed changes to fee rates and associated issues

- 6.1.1 The JFSC proposes to increase fee rates by 14.7% for 2019 rounded to the nearest £5.
- 6.1.2 The rate of increase comprises:
- 6.1.2.1 a component of 2.7%, being the most recent Jersey RPI prior to publication; and
- 6.1.2.2 a further 12% comprising:
- › a contribution towards meeting the significantly higher costs of the Island project to enhance the JFSC's work in respect of countering financial crime, which has already been initiated;
 - › investment towards restoring the JFSC's reserves to a level of six months' total expenditure from the prior year; and
 - › investment towards successfully implementing the JFSC's strategy including enhanced data analytics and industry portals.
- 6.1.3 The main drivers of this calculation is JFSC's new project to significantly enhance its supervision of financial crime.
- 6.1.4 The reserves of the JFSC have been reducing for some time as a result of capital investment in technology which enhances our supervisory effectiveness. A small contribution beginning to reverse this is included in the proposal. This will only go a very small way to beginning to reverse the trend of declining reserves.
- 6.1.5 The JFSC now has increased demands for data analytics due to the increased volume of data it holds and the need to analyse and report on that data.
- 6.1.6 The JFSC has gradually raised its income from the GIMB sector in line with the strategic approach set out in 2015. This increased income has contributed to funding the Change Programme on which we reported in our 2018 Annual Report.
- 6.1.7 Investment has been critical to maintaining the JFSC's supervisory effectiveness at a time when compliance costs for industry and supervisory costs for regulators have been rising in tandem.
- 6.1.8 As stated at 1.2.3, "If the approach proposed in Consultation Paper No. 11 2019 is adopted the fees for certain classes of licence holders are likely to be reduced in later fees periods."
- 6.1.9 The draft fees notice reflecting the proposals can be found in Appendix D.
- 6.1.10 Because of changes in licensees and their business levels, we may end up collecting more or less than our target level of fee income in 2020.

6.1.11 **Question 3**

Do you agree with the proposals relating to MSBs?

Appendix A: List of representative bodies who have been sent this Consultation Paper

- › Chartered Insurance Institute, Jersey branch
- › Institute of Directors (Jersey branch)
- › Jersey Association of Trust Companies
- › Jersey Chamber of Commerce
- › Jersey Compliance Officers Association
- › Jersey Finance
- › Jersey International Insurance Association
- › Society of Trust and Estate Practitioners (Jersey branch)

Appendix B: Draft TCB Fees Notice

Notice of Fees

Published in accordance with:	Article 15 of the Financial Services Commission (Jersey) Law 1998, as amended
Payable by or in relation to:	Trust Company Business
Pursuant to:	Articles 8(3) and 9(6) of the Financial Services (Jersey) Law 1998, as amended; and Article 15(6) of the Financial Services Commission (Jersey) Law 1998, as amended
Commencement date:	The fees set out in this notice and the attached schedule are effective for the period from 1 January – 31 December 2020

1 Interpretation

1.1 In this notice, unless the context otherwise requires –

affiliation	in respect of a registered person or an applicant for registration, means a group of persons carrying on or intending to carry on trust company business the members of which have agreed that one member will be the affiliation leader;
affiliation leader	in respect of an affiliation, means the member of the affiliation which has agreed to be the prime source of contact between the JFSC and the members of the affiliation with respect to compliance with the JFSC's prudential rules and conduct of business regulation;
JFSC	means the Jersey Financial Services Commission;
Law	means the Financial Services (Jersey) Law 1998, as amended;
non-affiliated person	in respect of an applicant for registration or a registered person, means a person who is neither an affiliation leader nor a participating member;
trust company business employee	in respect of a registered person, means – (a) a person employed, either under a contract of service or a contract for services, by the registered person to assist in the provision of trust company business (other than solely to provide filing, secretarial, information technology support or any similar general support service); and

	<p>(b) if, on the relevant date there exists an agreement for the provision to the registered person of the services of such persons by another person not trading in Jersey, shall be taken to include the number of such persons as the registered person estimates would be required to be employed full time to undertake the work undertaken by the persons whose services are to be provided.</p> <p>With respect to the above:</p> <p>(a) employees who do not have anything to do with trust company business (i.e. in a multi-licensed firm or an entity which also carries out unregulated business) may be excluded;</p> <p>(b) employees who are solely employed to carry out activities for the trust company itself who would never deal with clients/client matters (for example, the firm’s own HR or IT support staff) may be excluded;</p> <p>(c) genuine ‘facilities’-type staff who might deal with client matters but in a more ‘generic’ way (for example, receptionists) may be excluded;</p> <p>(d) the mention of ‘secretarial’ staff as an exemption does not include those carrying out client company secretarial work; and</p> <p>(e) compliance staff who work on trust company business issues are trust company business employees;</p>
<p>participating member</p>	<p>in respect of an affiliation, means a member of the affiliation who is not its affiliation leader;</p>
<p>relevant date</p>	<p>in respect of a year of registration of a registered person, means the 1st January in that year except in the year the person applied to be registered when it means the date of the application for registration.</p>

1.2 In calculating for registration fee purposes the number of trust company business employees of a managed trust company, those trust company business employees that form part of the calculation in respect of the manager’s own registration shall not be taken into account.

1.3 In calculating for registration fee purposes the number of trust company business employees of a registered person on the relevant date any trust company business employee employed for 25 hours or less during the week in which the relevant date occurs shall be taken into account on a 50% headcount basis (with the total number of trust company business employees being rounded up to the next full number where necessary).

2 Application fee

2.1 The fee to accompany an application for registration to carry on trust company business shall be the amount calculated in accordance with the table set out in the Schedule.

3 Registration fees

3.1 Except as provided by paragraph 3.4, a person registered to carry on trust company business shall pay a registration fee of an amount calculated in accordance with the table set out in the Schedule.

- 3.2 The due date for the JFSC to receive the registration fee is:
- 3.2.1 31 January 2020, if the firm is already registered on 1 January 2020; or
 - 3.2.2 the date specified on the fees invoice when it has been raised which is usually 30 days from the date of the invoice; and
 - 3.2.3 otherwise on registration.
- 3.3 If a person is registered after 1st July but before the following 1st January the registration fee payable on registration shall be half the fee otherwise payable.
- 3.4 The JFSC may remit a registration fee in whole or in part if –
- 3.4.1 the person liable to pay the fee is a member of an affiliation; and
 - 3.4.2 in the opinion of the JFSC the total of the registration fees payable by the members of the affiliation is unreasonably high having regard to the trust company business carried on by those members.

4 Late payment of registration fees and/or late submission of fees information

- 4.1 If the registration fee is not received 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 registration fee by the due date, an administration fee of £200 will be charged the day after the due date, 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 Late filing fees

- 5.1 If a registered person fails to file or deliver any document to the JFSC under the provisions of the Law or under any provisions of any Order issued in accordance with the 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 Commission 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.

6 Fee cap

- 6.1 The registration fee is subject to a fee cap of the greater of either £80,000 or 90% of the fee that would be payable absent any fee cap being in place.

Schedule: Fees

Classes of trust company business of registered person	Application fee	Registration fee
<p>Any class or combination of classes (not including class O or natural persons carrying on a single class of trust company business – see below)</p>	<p>£1,640 for an application to register a non-affiliated person</p> <p>£1,640 for an application to register an affiliation leader</p> <p>£210 for an application to register a participating member</p>	<p>In the case of a non-affiliated person –</p> <p>£2,320; plus</p> <p>£820 multiplied by the number of classes of trust company business undertaken by the non-affiliated person; plus</p> <p>a sum calculated –</p> <p>(a) on the basis of a count of the trust company business employees employed on the relevant date in the trust company business of the non-affiliated person; and</p> <p>(b) at the rate of –</p> <p>(c) at the rate of –</p> <p>£555 for each of the first 10 employees in that count</p> <p>£275 for each of the next 10 employees in that count</p> <p>£245 for each of the next 30 employees in that count</p> <p>£180 for each of the next 50 employees in that count</p> <p>£120 for each of the remainder of the employees in that count.</p> <p>In the case of an affiliation –</p> <p>£2,320 for the affiliation leader; plus</p> <p>in respect of each member of the affiliation (that is, the affiliation leader and every participating member) – the sum of £820 multiplied by the number of classes of trust company business undertaken by the member; plus</p>

Classes of trust company business of registered person	Application fee	Registration fee
		<p>a sum calculated –</p> <p>(a) on the basis of a count of the trust company business employees employed on the relevant date in the trust company business of the non-affiliated person; and</p> <p>(b) at the rate of –</p> <p>£555 for each of the first 10 employees in that count</p> <p>£275 for each of the next 10 employees in that count</p> <p>£245 for each of the next 30 employees in that count</p> <p>£180 for each of the next 50 employees in that count</p> <p>£120 for each of the remainder of the employees in that count.</p>
<p>Class O</p>	<p>£820 for an application to register a non-affiliated person</p> <p>£820 for an application to register an affiliation leader</p> <p>£160 for an application to register a participating member</p>	<p>In the case of a non-affiliated person - £1,870.</p> <p>In the case of an affiliation – £1,870 for the leader of the affiliation, plus £645 for each participating member.</p>
<p>Natural persons carrying on a single class of trust company business</p>	<p>£725</p>	<p>£820</p>

Appendix C: Draft GIMB Fees Notice

Notice of Fees

Published in accordance with:	Article 15 of the Financial Services Commission (Jersey) Law 1998, as amended
Payable by or in relation to:	General Insurance Mediation Business
Pursuant to:	Articles 8(3) and 9(6) of the Financial Services (Jersey) Law 1998, as amended; and Article 15(6) of the Financial Services Commission (Jersey) Law 1998, as amended
Commencement date:	The fees set out in this notice and the attached schedule are effective for the period from 1 January – 31 December 2020

1 Interpretation

1.1 In this notice, unless the context otherwise requires –

Brokerage income	means: (a) in relation to a registered person who carries on general insurance mediation business activities from within Jersey, means the net retained brokerage and other income arising from such activities whether the brokerage or income arises within or outside Jersey; and (b) in relation to a registered person who carries on general insurance mediation business activities in Jersey from outside Jersey, means the net retained brokerage and other income arising from such activities in Jersey by the registered person;
JFSC	means the Jersey Financial Services Commission;
Law	means the Financial Services (Jersey) Law 1998, as amended;

2 Application fee

2.1 For the purposes of Article 8(3)(c) of the Law (which Article allows fees that are to accompany applications for registration to be published), the fee specified in an entry in column 3 of Schedule 1 is prescribed in respect of applications for registration in relation to the class of general insurance mediation business specified in the entry opposite in column 2 of the Schedule.

3 Annual Fee

3.1 For the purposes of Article 9(6) of the Law (which Article allows fees payable by registered persons to be published):

- (a) a person within class S of Table 1, Schedule 2, shall pay for each year of registration (other than the year in which the person is first so registered) the annual fee set out opposite that class in column 4 of Table 1, Schedule 2; and
- (b) a person:

- (i) who is within class P, Q or R of Table 1, Schedule 2; and
- (ii) whose brokerage income for the accounting year that ended in the year before the registration year for which the fee is payable is within a range specified opposite that class in column 3 of Table 1, Schedule 2,

shall pay, for each year of registration (other than the year in which the person is first so registered) the annual fee set out in column 4 of Table 1, Schedule 2.

- (c) a person:

- (i) who is within class P, Q, R or S specified in Schedule 1, as determined in accordance with column 2 of that Schedule, and
- (ii) who is within the description of general insurance mediation business in column 1 of Table 2, Schedule 2,

shall pay for each year of registration (other than the year in which the person is first so registered) the annual fee set out in column 2 of Table 2, Schedule 2.

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

- 4.1 The due date for the JFSC to receive the annual fee is 31 January 2019 or the date specified on the fees invoice when it has been raised which is usually 30 days from the date of the invoice.
- 4.2 If the annual fee is not received 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.
- 4.3 If the firm does not supply the required information to calculate its registration fee by the due date, an administration fee of £200 will be charged the day after the due date, 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 4.2 which will be calculated once the information has been submitted.

5 Late filing fees

- 5.1 If a registered person fails to file or deliver any document to the JFSC under the provisions of the Law or under any provisions of any Order issued in accordance with the 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 1: Prescribed classes and application fees

Column 1	Column 2	Column 3
Class reference	Description of class of business	Application fee
P	Carrying on general insurance mediation business (other than incidental general insurance mediation business), not carrying on any other class of financial service business and not being a business that is within Class Q.	£6,565
Q	<p>Carrying on general insurance mediation business (including incidental general insurance mediation business):</p> <p>(a) in addition to carrying on:</p> <p>(i) any class of financial service business other than general insurance mediation business; or</p> <p>(ii) any other business authorized under the Banking Business (Jersey) Law 1991, the Collective Investment Funds (Jersey) Law 1988 or the Insurance Business (Jersey) Law 1996; or</p> <p>(b) as a company that is part of a group, where another part of the group carries on:</p> <p>(i) any class of financial service business other than general insurance mediation business; or</p> <p>(ii) any other business authorized under the Banking Business (Jersey) Law 1991, the Collective Investment Funds (Jersey) Law 1988 or the Insurance Business (Jersey) Law 1996.</p>	£3,285
R	<p>Carrying on incidental general insurance mediation business, if:</p> <p>(a) the business includes the giving of advice on the terms, conditions or suitability of the policy being proposed; and</p> <p>(b) the business to which the general insurance mediation business is incidental:</p> <p>(i) is not within a class of financial service business, and</p> <p>(ii) is not business authorized under the Banking Business (Jersey) Law 1991, the Collective Investment Funds (Jersey) Law 1988 or the Insurance Business (Jersey) Law 1996.</p>	£3,285

Column 1	Column 2	Column 3
Class reference	Description of class of business	Application fee
S	Carrying on incidental general insurance mediation business, if: <ul style="list-style-type: none"> (a) the business does not include the giving of advice on the terms, conditions or suitability of the policy being proposed; and (b) the business to which the general insurance mediation business is incidental: <ul style="list-style-type: none"> (i) is not within a class of financial service business, and (ii) is not business authorized under the Banking Business (Jersey) Law 1991, the Collective Investment Funds (Jersey) Law 1988 or the Insurance Business (Jersey) Law 1996. 	£110

Schedule 2: Annual Fees (Table 1)

Column 1	Column 2		Column 3
Class	Description		Annual fee
P	A person who is within Class P as determined in accordance with Schedule 1 and who is not a person within Table 2.	(a) £0 to £49,999,999	£2,020
		(b) £50,000 to £99,999	£3,320
		(c) £100,000 to £499,999	£4,435
		(d) £500,000 to £999,999	£5,540
		(e) £1,000,000 to £2,499,999	£6,650
		(f) £2,500,000 to £4,999,999	£8,870
		(g) £5,000,000 or more	£11,080
Q	A person who is within Class Q as determined in accordance with Schedule 1 and who is not a person within Table 2.	(a) £0 to £49,999	£1,010
		(b) £50,000 to £99,999	£1,680
		(c) £100,000 to £499,999	£2,220
		(d) £500,000 to £999,999	£2,790
		(e) £1,000,000 to £2,499,999	£3,320
		(f) £2,500,000 to £4,999,999	£4,435
		(g) £5,000,000 or more	£5,540
R	A person who is within Class R as determined in accordance with Schedule 1 and who is not a person within Table 2.	(a) £0 to £49,999	£525
		(b) £50,000 to £99,999	£860
		(c) £100,000 to £499,999	£1,110
		(d) £500,000 to £999,999	£1,400
		(e) £1,000,000 to £2,499,999	£1,680
		(f) £2,500,000 to £4,999,999	£2,220
		(g) £5,000,000 or more	£2,790
S	A person who is within Class S as determined in accordance with Schedule 1 and who is not a person within Table 2.		£70

Schedule 2: Annual Fees (Table 2)

Column 1	Column 2
Description	Annual Fee
A person who: <ul style="list-style-type: none"> (a) has a place of business in Jersey from which the person carries on general insurance mediation business in or from within Jersey; or (b) is a company incorporated in Jersey, and who: <ul style="list-style-type: none"> (c) is within Class P, Q, R or S as determined in accordance with Schedule 1, and (d) is exempted, under an Order made under Article 17 (see (i) below) or Article 20 (see (ii) below) of the Law in relation to general insurance mediation business, from the application of that Order (see (iii) below). 	£70

- (i) Where Article 17 of the Law relates to the Financial Services (General Insurance Mediation Business (Accounts, Audits, Reports and Solvency)) (Jersey) Order 2005.
- (ii) Where Article 20 of the Law relates to the Financial Services (General Insurance Mediation Business (Client Assets)) (Jersey) Order 2005.
- (iii) Where an exemption under one or other of the General Insurance Mediation Business Orders has been granted by the Commission on the basis that the registered person is an appropriately regulated person in respect of general insurance mediation business in accordance with the criteria set out under:
 1. Article 21(3) of the Financial Services (General Insurance Mediation Business (Accounts, Audits, Reports and Solvency)) (Jersey) Order 2005; and/or
 2. Article 20(3) of the Financial Services (General Insurance Mediation Business (Client Assets)) (Jersey) Order 2005.

Appendix D: Draft MSB Fees Notice

Notice of Fees

Published in accordance with:	Article 15 of the Financial Services Commission (Jersey) Law 1998, as amended
Payable by or in relation to:	Money Service Business
Pursuant to:	Articles 8(3) and 9(6) of the Financial Services (Jersey) Law 1998, as amended; and Article 15(6) of the Financial Services Commission (Jersey) Law 1998, as amended
Commencement date:	The fees set out in this notice and the attached schedule are effective for the period from 1 January – 31 December 2020

1 Interpretation

1.1 In this notice, unless the context otherwise requires –

JFSC	means the Jersey Financial Services Commission;
Law	means the Financial Services (Jersey) Law 1998, as amended;

2 Application Fee

2.1 The fee to accompany an application for registration to carry on money service business shall be £2,840.

3 Annual fee

3.1 A person registered to carry on money service business at any point during the calendar year shall pay a fee of £2,840.

4 Late payment of fees

4.1 The due date for the JFSC to receive the annual fee is: 31 January 2020, if the firm is already registered on 1 January 2020; or the date specified on the fees invoice when it has been raised which is usually 30 days from the date of the invoice; and otherwise on registration.

4.2 If the annual fee is not received 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.

5 Late filing fees

5.1 If a registered person fails to file or deliver any document to the JFSC under the provisions of the Law or under any provisions of any Order issued in accordance with the 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.