



Feedback Paper on Consultation Paper No. 10 2020

Financial Services (Jersey) Law 1998 Trust Company Business Fees

A feedback paper relating to a consultation on proposals regarding fee rates and associated issues.

Issued: January 2021

Consultation Feedback

This paper reports on responses received by the JFSC to the Consultation Paper No. 10 2020 published by the JFSC on 20 November 2020

Glossary of Terms

Defined terms are indicated throughout this document as follows:

Commission Law	Financial Services Commission (Jersey) Law 1998, as amended
JFSC/Commission	Jersey Financial Services Commission
MONEYVAL	Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism
TCB	Trust Company Business

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1 Executive Summary

1.1 Overview

- 1.1.1 On 20 November 2020 the JFSC issued Consultation Paper No. 10 2020 (Consultation), which sought views on proposals to increase fee rates.
- 1.1.2 The purpose of this paper is to provide feedback on the responses received to the Consultation.
- 1.1.3 In light of the feedback received, the JFSC will be changing the TCB fee notice to reflect the following changes:
 - 1.1.3.1 Amendment to current fee rates broadly in line with Option 2 within the Consultation;
 - 1.1.3.2 Increasing the fees cap to £90,000 or 95% of the fee that would otherwise be payable;
 - 1.1.3.3 Moving to a five-year rolling average for:
 - › TCB employee numbers; and
 - › licences held;
 - 1.1.3.4 Introducing the proposed amendment fee; and
 - 1.1.3.5 Introducing the proposed change of control fee.
- 1.1.4 The new fee rates are effective from 1 January 2021.
- 1.1.5 The final form of the fees notices can be found at Appendix B and on our website.

1.2 Feedback received

- 1.2.1 Nine respondents, one a representative body, provided written comments. In addition, several representatives from industry attended meetings with the JFSC to discuss the proposals. A list of respondents is given in Appendix A.
- 1.2.2 Section 2 of this paper presents a summary of the substantive comments received and the JFSC's response.
- 1.2.3 The JFSC is grateful to all respondents for taking the time to consider and comment on the proposals. Each respondent has been sent a copy of this paper.

1.3 Next Steps

- 1.3.1 The revised fees are effective from 1 January 2021.
- 1.3.2 Relevant firms will receive notification via the myJFSC portal that an invoice is ready for them or that they need to provide data for their fees to be calculated.
- 1.3.3 In accordance with the fees notices, the due date for payment of annual fees is 28 February.
- 1.3.4 Late payment may incur fees as detailed in the fees notice.

2 Consultation feedback

2.1 Do you agree with the proposed fee in respect of a change of control?

- 2.1.1 Two respondents expressed explicit support and three respondents expressed agreement while making clarificatory requests.
- 2.1.2 Two respondents wished to understand whether the fees would be payable by each registered person or whether they would be levied at the affiliation level.
- 2.1.2.1 The JFSC intends that the existing charging mechanism for applications will be employed with each registered person within an affiliation paying the relevant amount in accordance with the fees notice (see Appendix B).
- 2.1.3 Two respondents wished to understand whether the £1,000 premium for companies in heightened supervision or enforcement would be payable by each registered person within an affiliation or whether it would be levied at the affiliation level.
- 2.1.3.1 The JFSC intends that this premium will be payable at the affiliation level.
- 2.1.4 One respondent noted that the change of control fee applied in circumstances where there is a change within an affiliation, however, considered that the proposal was ambiguous where a transaction involves the entire affiliation becoming subject to a change in beneficial ownership, without any change to the structure of the affiliation itself.
- 2.1.4.1 The JFSC stated that the proposal to introduce change of control fees is driven by a reasonable volume of transactional activity where TCBs, either at the affiliation or participating member level, are bought or sold. These transactions do not currently incur a fee, however, do require supervisory effort in appraising the transaction and determining the decision to provide a “no objection” or otherwise.
- 2.1.4.2 The ability to purchase an affiliation, perhaps through a holding company structure, thereby avoiding the proposed fees is inconsistent with the intent of the proposals.
- 2.1.4.3 The final form of the fees notice at Appendix B clarifies the JFSC’s approach to this potential gap by making it clear that where a transaction, or series of related transactions, meets the criteria specified at Article 14 of the FSJL in respect of change of principal person, key person or shareholding, a change of control fee shall be payable.
- 2.1.5 One respondent asked whether it was the intention that the selling or buying party to a change of control would pay the relevant fees.
- 2.1.5.1 The JFSC considers that it would be the acquiring party that is applicant in such transactions and therefore the fee would be payable by that party, however, notes that the contractual agreements underpinning commercial transactions will provide for the allocation of transactional costs between parties which may mean that the parties come to an agreement that facilitates the sharing of costs as appropriate to the transaction in question.
- 2.1.6 One respondent requested that the proposed change of control fees be capped.

- 2.1.6.1 The JFSC does not consider that capping fees is consistent with the approach taken for the TCB or other sectors.
- 2.1.7 One respondent highlighted that the introduction of the proposed change of control fees would place an additional burden on fee-payers in the context of the other fees that registered persons pay.
- 2.1.7.1 The JFSC considers that the introduction of the change of control fees are reasonable and proportionate in the context of other fees and highlights that the proposed change of control fees represent a “user-pays” approach to discretionary activity that should ideally not place any additional burden on other fee payers. The JFSC has made it clear within the fees notice that fees payable for alterations will not also be payable when a change of control fee is incurred.
- 2.1.8 One respondent noted that the table at 4.1.5 within the Consultation included an amount of £8,000 in respect of change of control fees.
- 2.1.8.1 This was an error in the table and should be disregarded.

2.2 Do you agree with the proposed fee in respect of alterations?

- 2.2.1 Two respondents expressed explicit support and three respondents expressed agreement while making clarificatory requests.
- 2.2.2 One respondent explained that registered persons may undertake consolidation projects where they merge licences and participating members. They asked for confirmation that the proposed alteration fee would not be applied in these circumstances.
- 2.2.2.1 The proposed fee will apply in the following circumstances:
- › a change of the name of the registered person;
 - › the addition, alteration or removal of conditions pursuant to an application from the registered person; or
 - › the removal of a class of licence pursuant to an application from the registered person.
- 2.2.2.2 This includes circumstances where a registered person is undertaking a “consolidation project” where it is necessary for the JFSC to assess the proposals put forward and determine its “no objection”, or otherwise, to such proposals.
- 2.2.3 One respondent requested confirmation that the alteration fee would apply to each class of licence to be revoked.
- 2.2.3.1 The JFSC confirms that this is correct.
- 2.2.4 One respondent highlighted that the introduction of the proposed alteration fees would place an additional burden on fee-payers in the context of the other fees that registered persons pay.
- 2.2.4.1 The JFSC considers that the introduction of the alteration fees are reasonable and proportionate in the context of other fees and highlights that the proposed alteration fees represent a “user-pays” approach to discretionary activity that should ideally not place any additional burden on other fee payers. The JFSC has made it clear within the fees notice that fees payable for alterations will not also be payable when a change of control fee is incurred.

2.3 Which of the Strategic Options do you agree would achieve the best outcome for the TCB industry while enabling the JFSC to achieve its budgeted 2021 TCB fee income?

- 2.3.1 The JFSC received a substantial amount of feedback from individual firms and the representative body in respect of this question. One respondent highlighted the schism that this question presents for individual firms who may gravitate towards the most financially beneficial option for their circumstances rather than options that are beneficial for the TCB sector holistically.
- 2.3.2 While individual responses did make strong arguments in favour of their preferred options, the representative body was able to agree with Option 2 taking a view across the whole of the TCB sector. They further noted that Option 2 could be “more palatable if a year-on-year rising fee cap were to operate to dampen the effect.”
- 2.3.3 The following table illustrates the overall positive and negative sentiment from individual respondents to each of the options within the consultation. Excluding direct respondents who did not favour Option 2, the representative body and other respondents were in agreement with Option 2.

	Option 1	Option 2	Option 3	Option 4	Option 5
Positive Sentiment	4	189	2	-	-
Negative Sentiment	-	(2)	(1)	-	-

- 2.3.4 In light of the all of the responses to the Consultation, the JFSC will be implementing changes to the fees notice in line with Option 2, with modifications prompted by the feedback received in response to the Consultation.
- 2.3.5 Full detail of the final changes are found in the fees notice at Appendix B and are summarised in the table below for application and change of control fees:

Fee/year & impact	2020	Proposed	Final	'20-'21 £	'20-'21%
Base fee	1,640	1,655	1,655	15	1%
Participating member fee	210	215	215	5	2%
Class O base fee	820	830	830	10	1%
Class O participating member fee	160	165	165	5	3%
Natural Person fee	725	750	750	25	3%
Change of control	-	As for application	As for application	New	New
Alterations, per registered person, per class of licence	-	£400	£400	New	New

- 2.3.1 Full detail of the finalised changes are found in the fees notice at Appendix B and are summarised in the table below for annual registration fees:

Fee/year & impact	2020	Proposed	Final	'20-'21 £	'20-'21%
Base fee	2,320	2,500	2,350	30	1%
Per licence	820	1,000	950	130	16%
Class O base	1,870	1,875	1,875	5	0%
Class O per licence	645	800	745	100	16%
Natural Person	820	1,000	950	130	16%
1-10 employees	555	500	500	(55)	-10%
11-20 employees	275	250	250	(25)	-9%
21-50 employees	245	200	200	(45)	-18%
51-100 employees	180	175	175	(5)	-3%
100+ employees	120	120	120	-	0%
Fees cap	80,000	n/a	90,000	10,000	13%
Fees cap %	90%	n/a	95%	0	6%

- 2.3.2 In line with the proposal for Option 2, the JFSC will move to using five-year rolling averages for TCB Employee numbers and licences held.
- 2.3.3 The next sections explore the detailed responses to the Strategic Options in more depth.

2.4 Option 1 – increase fee rates within current mechanism

- 2.4.1 Option 1 was favoured by a minority of respondents because it currently “works well” for those respondents and provided continuity. One respondent noted that Option 1 meant the consultation was an opportunity to explore other options to be implemented in future periods.
 - 2.4.1.1 The JFSC recognises that Option 1 provides continuity in the charging mechanism and that the consultation has provided strong impetus to continue the important dialogue with industry on TCB fees in future periods. While the charging mechanism adopted as a result of this consultation is intended to be in place for at least three years, the JFSC will continue to actively engage with the TCB industry on future mechanisms that will maintain funding for the JFSC’s important work in a proportionate manner for the TCB industry.

2.5 Option 2 – desensitising employee and licence numbers

- 2.5.1 One respondent wanted clarity about how the averaging of employee and licence numbers would work for registered persons that have been in existence for less than five years.
 - 2.5.1.1 This is illustrated in the table below where in each year the average number of employees is recalculated based on the available data.

	EE’s 1	EE’s 3	EE’s 3	EE’s 4	EE’s 5	Average
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	EE's 1	EE's 3	EE's 3	EE's 4	EE's 5	Average
Year 1	5	-	-	-	-	5
Year 2	5	5	-	-	-	5
Year 3	5	5	8	-	-	6
Year 4	5	5	8	10	-	7
Year 5	5	5	8	10	12	8

2.5.2 One respondent felt that Option 2 would be detrimental to smaller start-up trust companies given the number of licences required to successfully offer customers TCB services.

2.5.2.1 The JFSC recognises that the effect of reducing the fee per employee and increasing the fee per licence re-weights the fees in a way that has a greater impact on firms with fewer employees. In light of this concern, the JFSC has reduced the fee payable per licence (including for natural persons) from the proposed £1,000 to £950 in the final fees notice.

2.5.3 Two respondents expressed concern that Option 2 weighted overall TCB fees onto the largest firms. They expressed strong interest in retaining or re-designing the fees cap in order to reduce the impact “for those firms already suffering the highest level of overall fees.”

2.5.4 These respondents also expressed concern that Option 2 would increase fees significantly at short notice and proposed that the JFSC should consider a fee cap to prevent large fee increases for larger trust businesses. It was suggested that this cap might be removed in stages over five years and that this approach would be particularly beneficial in the context of Covid-19.

2.5.4.1 Only four firms benefitted from the fees cap in 2020 and would continue to benefit from the fees cap under Option 1 (no change to the fees mechanism) in 2021. The JFSC has been removing the fees cap in recent years as follows:

- › 2017: £62,400 or 75% of what would be payable absent the cap
- › 2018: £65,210 or 80% of what would be payable absent the cap
- › 2019: £68,015 or 85% of what would be payable absent the cap
- › 2020: £80,000 or 90% of what would be payable absent the cap

2.5.4.2 The JFSC will retain the fees cap for 2021, but will continue the process of removing the cap such that for the final year of the fees cap it will be:

- › 2021: £90,000 or 95% of what would be payable absent the cap

2.5.5 One respondent was concerned that moving to rolling averages for any metrics would eliminate the benefits where firms restructure.

2.5.5.1 The JFSC is aware that where firms restructure the effect of the rolling average metrics will be to dampen the immediate downward effect on their fees. The JFSC is not aware of firms specifically restructuring to

mitigate regulatory fees. Rather, the JFSC observes that restructuring and rationalisation projects are generally driven by the need to efficiently and effectively provide services to TCB customers.

2.6 Option 3 – eliminating the employee metric

- 2.6.1 One respondent considered Option 3 as sensible in terms of simplicity and fairness of the fee structure. They further considered that it safeguarded against fluctuations arising from changes in working practices that may arise in the future.
- 2.6.1.1 The JFSC considers that the adoption of Option 2 will safeguard against such fluctuations in the near-term, however, is grateful that this has been recognised by respondents in considering the effect of the Options.
- 2.6.2 One respondent felt that removing employees entirely would reduce the risk-based nature of the fees as they currently stand given that employees are a proxy, albeit an imperfect one, for activity and the associated risk.
- 2.6.2.1 The JFSC considers this to be helpful feedback in developing its response to this consultation, and continuing to develop its overall approach to fees. At Section 2.8, we discuss how we intend to continue to develop our approach to fees including ensuring that appropriate metrics are employed to ensure that there is proportionality across the fees base.
- 2.6.3 One respondent noted that increasing the cost of the licence fee may adversely affect small TCBs with a small number of employees because a critical mass of licence classes are required to conduct trust company business.
- 2.6.3.1 As at 2.5.2.1, the JFSC recognises that the effect of removing the employee metric in favour of increased fees per licence re-weights the fees in a way that has a greater on firms with fewer employees. In response to this, the employee metric will be retained as detailed within the fees notice at Appendix B.
- 2.6.4 Two respondents highlighted that moving away from the employee metric altogether could drive firms to reduce their licences in order to save on fees.
- 2.6.4.1 As at 2.5.5.1, the JFSC is not aware of firms specifically restructuring to mitigate regulatory fees. Rather, the JFSC observes that restructuring and rationalisation projects are generally driven by the need to efficiently and effectively provide services to TCB customers.
- 2.6.5 One respondent noted that Option 3 would be “even worse” in terms of financial impact for them.
- 2.6.5.1 The JFSC recognises, as with all of the Options, that a minority of TCBs will be more significantly affected by each proposal than others, however, considers as a result of the consultation that Option 2 is the most favourable option for the TCB sector holistically.

2.7 Option 4 – introducing new fee bands

- 2.7.1 No respondents favoured Option 4 with one respondent highlighting that it could not be a long-term solution, while noting that developing a long-term approach to TCB fees was their favoured outcome.

- 2.7.1.1 The JFSC notes the difficulty with Option 4 and that it could only ever be a temporary solution while further dialogue on fees takes place. In light of the excellent levels of engagement with the consultation Option 4 will not be pursued.

2.8 Option 5 –blended and alternative approaches

- 2.8.1 Several respondents did not feel able to comment on or articulate hypothetical solutions, however, some direct respondents and the representative body were comfortable providing feedback on future developments in respect of TCB fees.
- 2.8.1.1 The JFSC is grateful for all feedback in this regard and recognises the inherent difficulty in exploring hypothetical solutions.
- 2.8.2 Several respondents expressed interest in developing a risk-rated component for fees that might be an additional feature of the existing employee and licence metrics, or might replace the existing metrics. Suggestions for inputs into such risk-based metrics included:
- › A sliding scale of risk scores based on findings from and the frequency of supervisory visits;
 - › The resource required to supervise TCBs over a five-year rolling period;
 - › The level of High Risk cases and whether remediation plans are in place;
 - › The size/customer base/geographic regions in which a TCB operates;
 - › The number of PEPS/limited services offerings such as registered office only;
 - › The use of NRA (Supervisory Risk) data; and
 - › Other elements such as these and whether there are particular factors, which raise more concerns with the JFSC than other areas.
- 2.8.2.1 These suggestions are extremely helpful as the JFSC continues to develop its approach to ensuring that its fees are proportionate and risk-sensitive. While at this stage, the JFSC will not be introducing a risk-weighted component to TCB fees, the JFSC will continue the dialogue with Industry that has now started as a result of this consultation.

2.9 Other comments

- 2.9.1 One respondent noted that start-up companies are not common in the current market and suggested that the TCB fee structure may be a contributing factor to this, with a request that it should be easier for would-be or existing entrepreneurs to start and scale in this industry.
- 2.9.1.1 The JFSC would highlight that in 2018 there were nine new TCB registrations, three in 2019 and six during the course of 2020. The JFSC is sensitive to concerns that regulatory fees may be perceived as a barrier to entry, however, considers that the fee structure is appropriate and fair for both new applicants and incumbent TCBs.
- 2.9.1.2 The JFSC would also highlight that a number of new entrants into the TCB industry have historically sought registration as Managed Trust Company Businesses (MTCB). The MTCB regime enables registered

persons to rely upon the non-financial resources of its Manager (an existing TCB) in order to meet certain of its regulatory responsibilities. Following successful periods of “incubation” some MTCBs go on to become stand-alone TCBs.

2.9.1.3 As outlined in the consultation paper, the application fees have been increased by a significantly lesser proportion than the annual registration fees.

2.9.2 One respondent suggested that while automation may impact on TCB employee numbers into the future, they considered that a likely outcome would be that existing TCB employee numbers would remain broadly stable due to the continuing need to adequately service TCB customers and demonstrate economic substance.

2.9.2.1 The JFSC is grateful for this comment which it will include in its careful consideration of future fees.

Appendix A – List of respondents to the CP

Name of Respondent	Type of Business
Direct contributions (four respondents)	Trust Company Business
Jersey Association of Trust Companies (JATCO)	Representative Body
JATCO on behalf of individual companies (two respondents)	Trust Company Business
Jersey Finance Limited (on behalf of two respondents)	Trust Company Business
Trade Body representatives (round-table discussions)	Registered Persons and Representative Bodies

Appendix B – 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 2021

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;
average	in respect of the calculation of the average number of employees or licences on the relevant date(s) means the arithmetic mean of each number rounded to the nearest whole number;
due date	means the due date for payment of any fee specified within this Notice of Fees or otherwise the due date for payment specified within an invoice for fees issued by the JFSC;
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(s)</p>	<p>in respect of a year of registration of a registered person, means the 1st January in that year and each of the preceding four years of registration except for the year the person applied to be registered when it means the date of the application for registration; where there are fewer than five relevant dates for the purpose of a calculation within the Schedule, the averages calculated will be of each relevant date that is available for the calculation until there are sufficient relevant dates to perform the calculation as specified.</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 3.5, 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 28 February, if the firm is already registered on 1 January; or
- 3.2.2 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 Where a registered person has acquired another person registered to carry on trust company business for each relevant date the registered person shall included in the calculation set out in the Schedule:
- 3.4.1 the trust company business employees of the acquired person; and
- 3.4.2 the number of classes of trust company business undertaken by the acquired person.
- 3.5 The JFSC may remit a registration fee in whole or in part if –
- 3.5.1 the person liable to pay the fee is a member of an affiliation; and
- 3.5.2 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 Change of control fee

- 4.1 Where a registered person applies to become, to cease being, or to merge with an Affiliation Leader or Participating Member they shall pay a fee calculated in accordance with the Application fee column set out in the Schedule.
- 4.2 Where a shareholder controller acquires an interest in a registered person, either through a one-off, or series of transactions, so that the proportion of the share capital or voting rights held by the person in the registered person reaches or exceeds 20%, 33% or 50%, or so that the registered person becomes the subsidiary of such a shareholder controller, they shall pay a fee calculated in accordance with the Application fee column set out in the Schedule.
- 4.3 The fee referred to in paragraph 4.2 shall be pro-rated according to the proportion of the share capital or voting rights acquired by the shareholder controller.
- 4.4 For registered persons subject to heightened supervision or enforcement, an additional fee of £1,000 shall be payable under paragraph 4.

5 Alteration fee

- 5.1 A fee of £400 shall be paid by a registered person who applies for an alteration so as to reflect all or any of the following:
- 5.1.1 a change of the name of the registered person;
- 5.1.2 the addition, alteration or removal of each licence condition pursuant to an application from the registered person; or

5.1.3 the removal of each class of licence pursuant to an application from the registered person.

5.2 A fee payable in accordance with paragraph 5.1 shall not be payable where a fee payable in accordance with paragraph 4 is also payable.

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

6.1 If any 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.

6.2 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 6.1 which will be calculated once the information has been submitted.

7 Late filing fees

7.1 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.

8 Fee cap

8.1 The registration fee is subject to a fee cap of the greater of either £90,000 or 95% 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>£1,655 for an application to register a non-affiliated person</p> <p>£1,655 for an application to register an affiliation leader</p> <p>£215 for an application to register a participating member</p>	<p>In the case of a non-affiliated person –</p> <p>£2,350; plus</p> <p>£950 multiplied by the average number of classes of trust company business undertaken by the non-affiliated person on the relevant dates; plus</p> <p>a sum calculated –</p> <p>(a) on the basis of a count of the average number of trust company business employees employed on the relevant dates in the trust company business of the non-affiliated person; and</p> <p>(b) at the rate of –</p> <p>£500 for each of the first 10 employees in that count</p> <p>£250 for each of the next 10 employees in that count</p> <p>£200 for each of the next 30 employees in that count</p> <p>£175 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>£2,350 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 £950 multiplied by the average number of classes of trust company business undertaken by the member; plus</p>
<p>Classes of trust company business of registered person</p>	<p>Application fee</p>	<p>Registration fee</p>

		<p>a sum calculated –</p> <p>(a) on the basis of a count of the average number of trust company business employees employed on the relevant dates in the trust company business of the affiliation; and</p> <p>(b) at the rate of –</p> <p>£500 for each of the first 10 employees in that count</p> <p>£250 for each of the next 10 employees in that count</p> <p>£200 for each of the next 30 employees in that count</p> <p>£175 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>
Class O	<p>£830 for an application to register a non-affiliated person</p> <p>£830 for an application to register an affiliation leader</p> <p>£165 for an application to register a participating member</p>	<p>In the case of a non-affiliated person - £1,875.</p> <p>In the case of an affiliation – £1,875 for the leader of the affiliation, plus £745 for each participating member.</p>
Natural persons carrying on a single class of trust company business	£750	£950