



Feedback Paper on Consultation Paper No. 11 2020

Financial Services (Jersey) Law 1998
General Insurance Mediation Business Fees
Money Services Business Fees

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

Issued: December 2020

Consultation Feedback

This paper reports on responses received by the JFSC to the Consultation Paper No. 11 2020 issued by the JFSC on 20 November 2020.

Glossary of Terms

Defined terms are indicated throughout this document as follows:

GIMB	General Insurance Mediation Business
JFSC/Commission	Jersey Financial Services Commission
MSB	Money Service Business

Table of Contents

Consultation Feedback.....2

1 Executive Summary5

 1.1 Overview5

 1.2 Next Steps5

Appendix A: GIMB Fees Notice6

Appendix B: MSB Fees Notice12

1 Executive Summary

1.1 Overview

- 1.1.1 On 20 November 2020 the JFSC issued Consultation Paper No. 11 2020, which sought views on proposals to increase fee rates.
- 1.1.2 No responses to the consultation were received, either by the JFSC directly or by JFL.
- 1.1.3 We are therefore proceeding to implement the fee rate changes as consulted on. The final fees notice can be found in Appendices A and B, and on our website.

1.2 Next Steps

- 1.2.1 The revised fees are effective from 1 January 2021.
- 1.2.2 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.

Appendix A: 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 2021

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 29 February.
- 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.	£6,625
Q	Carrying on general insurance mediation business (including incidental general insurance mediation business): (a) in addition to carrying on: (i) any class of financial service business other than general insurance mediation business; or (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 (b) as a company that is part of a group, where another part of the group carries on: (i) any class of financial service business other than general insurance mediation business; or (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.	£3,315
R	Carrying on incidental general insurance mediation business, if: (a) the business includes 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: (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.	£3,315

S	Carrying on incidental general insurance mediation business, if: (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: (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	£2,040
		(b) £50,000 to £99,999	£3,350
		(c) £100,000 to £499,999	£4,475
		(d) £500,000 to £999,999	£5,590
		(e) £1,000,000 to £2,499,999	£6,710
		(f) £2,500,000 to £4,999,999	£8,950
		(g) £5,000,000 or more	£11,180
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	£1,020
		(b) £50,000 to £99,999	£1,695
		(c) £100,000 to £499,999	£2,240
		(d) £500,000 to £999,999	£2,815
		(e) £1,000,000 to £2,499,999	£3,350
		(f) £2,500,000 to £4,999,999	£4,475
		(g) £5,000,000 or more	£5,590
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	£530
		(b) £50,000 to £99,999	£870
		(c) £100,000 to £499,999	£1,120
		(d) £500,000 to £999,999	£1,415
		(e) £1,000,000 to £2,499,999	£1,695
		(f) £2,500,000 to £4,999,999	£2,240
		(g) £5,000,000 or more	£2,815
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: (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: (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 B: 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 2021

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 £2,865.

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 £2,865.

4 Late payment of fees

- 4.1 The due date for the JFSC to receive the annual fee is: 29 February, if the firm is already registered on 1 January; 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.