



Feedback on Consultation No. 5 2021

Insurance Business (Jersey) Law 1996: Insurance Business Fees

This feedback relates to a consultation on proposals regarding proposals to change fee rates

Issued: September 2021

Consultation feedback

The following is a summary of the responses received by the JFSC to Consultation No. 5 2021 published by in August 2021.

Further enquiries concerning the consultation may be directed to:

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1 Executive Summary

1.1 Overview

- 1.1.1 In August 2021, we issued Consultation No.5 2021, Insurance Business Fees, which sought views on proposals to change fee rates.
- 1.1.2 No responses to the consultation were received, either directly by us or by Jersey Finance Limited.
- 1.1.3 We are therefore proceeding to implement the fee rate changes outlined in the consultation. The final fees notice can be found in Appendix A and on our website.

1.2 Next steps

- 1.2.1 The revised fees notice will take effect from 1 October 2021.
- 1.2.2 Relevant firms will receive notification via myJFSC that an invoice is ready for them.

Appendix A – Insurance Business Fees Notice

Notice of Fees

Published in accordance with:	Article 15 of the Financial Services Commission (Jersey) Law 1998, as amended
Pursuant to:	Insurance Business
Payable by or in relation to:	Articles 6(1) and 43D of the Insurance Business (Jersey) Law 1996, as amended;
Commencement date:	The fees set out in this notice are effective from 1 October 2021.

1 Interpretation

1.1 In this notice, unless the context otherwise requires -

cell and cell company	have the meanings assigned to them by the Companies Law
Companies Law	means the Companies (Jersey) Law 1991, as amended
JFSC	means the Jersey Financial Services Commission
Law	means the Insurance Business (Jersey) Law 1996, as amended
limited company	has the meaning assigned to it by the Companies Law
limited liability partnership	has the meaning assigned to it by the Limited Liability Partnerships (Jersey) Law 1997
permit holder	has the meaning assigned to it by the Law
transfer of insurance business	means a scheme for the transfer of insurance business as required by Article 27 of and Schedule 2 to the Law

2 Application fee

2.1 The fee to accompany an application for a permit to carry on insurance business under the Law shall be the amount set out in Schedule 1.

3 Annual fee

- 3.1 A permit holder shall pay an annual fee in accordance with the amount set out in Schedule 2.
- 3.2 The annual fee is payable by permit holders on 1 October of each year.
- 3.3 The due date for the annual fee is 31 October in the same year.

4 Registration change fee

- 4.1 A fee of £2,180 is payable in relation to category B permits where:
- an insurance company that is registered under the Companies Law as a limited company changes that registration to registration as a cell company or a cell; or

- b) a partnership carrying on insurance business as a limited liability partnership changes that registration to registration as a cell company or a cell.
- 4.2 A registration change fee paid under paragraph 4.1 shall be taken to include the fee payable by the first cell of that cell company for an application for a category B permit where the insurance business to be written in that first cell is the insurance business that was, prior to the change in registration to a cell company, written by the insurance company or partnership referred to in paragraph 4.1.
- 4.3 Where the fee specified in paragraph 4.1 has been paid, paragraph 3.1 shall apply to the annual fee due next following the grant of the permit (and for each subsequent annual fee due) for that cell company and for that cell.
- 4.4 A fee of £2,070 is payable in relation to a category B permit where a cell company or a cell that is registered as such under the Companies Law changes that registration to registration as a:
 - a) A limited company; or
 - b) A limited liability partnership.

Where such a fee is paid, paragraph 3.1 shall apply to the next annual fee due following the grant of the permit and each subsequent annual fee due for the limited company or the limited liability partnership.

5 Transfer of insurance business

- 5.1 A fee of £8,150 is payable where a permit holder plans to undergo a Transfer of Insurance Business ('transfer'). This fee is payable to the JFSC at the time of submission of draft documentation relating to the transfer, in advance of the associated Direction Hearing.

6 Late payment of fees

- 6.1 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 first day of each following calendar month.

7 Late filing fees

- 7.1 If a permit holder fails to file or deliver any document to the JFSC under the provisions of the Law or under the provisions of any Order issued in accordance with the Law on or before the date that the document becomes due, the permit holder shall be liable to pay a fee of £100 for each complete month or part thereof that the document remains unfiled or undelivered unless the permit holder 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 – Application fees

Category of permit	Application fee
Category A	<ul style="list-style-type: none"> i. £8,740 if the permit applied for is to include long-term business of any class; and ii. £4,370 in any other case.
Category B (where the applicant is not a cell company or a cell)	<ul style="list-style-type: none"> i. £15,270 if the permit applied for is to include long-term business of any class; and ii. £7,630 in any other case.
Category B (where the applicant is a cell company or a cell)	<ul style="list-style-type: none"> i. £7,630 if the permit applied for is to be granted to a cell company; ii. £4,370 if the permit applied for is to be granted to a cell and is to include long-term business of any class; and iii. £2,180 if the permit applied for is to be granted to a cell and is to include general business of any class.

Schedule 2 – Annual fees

Category of permit	Annual fee
Category A	<ul style="list-style-type: none"> i. £8,740 if the permit includes long-term business of any class; and ii. £4,370 in any other case.
Category B (where the applicant is not a cell company or a cell)	<ul style="list-style-type: none"> i. £15,270 if the permit includes long-term business of any class; and ii. £7,630 in any other case.
Category B (where the applicant is a cell company or a cell)	<ul style="list-style-type: none"> i. £7,630 if the permit is held by a cell company; ii. £4,370 if the permit is held by a cell and includes long-term business of any class; and iii. £2,180 if the permit is held by a cell and includes general business of any class.