



Feedback on Consultation No. 6 2023

Insurance Business (Jersey) Law 1996: Insurance Business Fees

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

Issued: September 2023

Consultation feedback

The following is a summary of the responses received by the JFSC to Consultation No. 6 2023 published in August 2023.

Further enquiries concerning the consultation may be directed to:

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1 Executive summary

1.1 Overview

- 1.1.1 In August 2023, we issued Consultation No.6 2023, Insurance Business Fees, which sought views on proposals to change fee rates.
- 1.1.2 The consultation explained that, while our costs remain tightly controlled, to ensure appropriate funding is raised to meet our ongoing needs the headline fee rates will be subject to a 10.9% RPI increase.
- 1.1.3 In light of the feedback received,
we will proceed to implement the fee rate changes outlined in the consultation.
- 1.1.4 The final fees notice can be found in Appendix A and on our website.

1.2 Feedback received

- 1.2.1 The consultation period closed on 15 September 2022. No responses were received either directly or by Jersey Finance Limited (JFL).
- 1.2.2 We are grateful to the industry and Jersey Finance Limited for taking the time to consider the proposals.

1.3 Next steps

- 1.3.1 The revised fees notice will take effect from 1 October 2022.
- 1.3.2 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 2023.

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 £2,730 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

- 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 **Error! Reference source not found.** 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 **Error! Reference source not found.**
- 4.3 Where the fee specified in paragraph **Error! Reference source not found.** 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 £2,595 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) limited company
 - b) 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 £10,945 is payable where a permit holder plans to undergo a Transfer of Insurance Business ('transfer'). This fee is payable to us 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 us 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 us 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 us prior written notice of the reasons for the late filing, or delivery of a document, and we have 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	i) £10,945 if the permit applied for is to include long-term business of any class; or ii) £5,470 in any other case.
Category B (where the applicant is not a cell company or a cell)	i) £19,120 if the permit applied for is to include long-term business of any class; or ii) £9,550 in any other case.
Category B (where the applicant is a cell company or a cell)	iii) £9,550 if the permit applied for is to be granted to a cell company; iv) £5,470 if the permit applied for is to be granted to a cell and is to include long-term business of any class; or v) £2,730 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	Application fee
Category A	vi) £10,945 if the permit includes long-term business of any class; or vii) £5,470 in any other case.
Category B (where the applicant is not a cell company or a cell)	viii) £19,120 if the permit includes long-term business of any class; or ix) £9,550 in any other case.
Category B (where the applicant is a cell company or a cell)	x) £9,550 if the permit is held by a cell company; xi) £5,470 if the permit is held by a cell and includes long-term business of any class; or xii) £2,730 if the permit is held by a cell and includes general business of any class.