

GUERNSEY STATUTORY INSTRUMENT

2021 No. 166

**The Financial Services Commission
(Fees) Regulations, 2021**

Made

14th December, 2021

Coming into operation

1st January, 2022

Laid before the States

THE POLICY & RESOURCES COMMITTEE, in exercise of the powers conferred upon it by section 13 of the Financial Services Commission (Bailiwick of Guernsey) Law, 1987^a, sections 22 and 23 of the Protection of Investors (Bailiwick of Guernsey) Law, 2020^b, sections 7 and 60 of the Banking Supervision (Bailiwick of Guernsey) Law, 2020^c, sections 7, and 53 of the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2020^d, sections 50 and 129 of The Financial Services Business (Enforcement Powers)

^a Ordres en Conseil Vol. XXX, p. 243; as amended by Vol. XXXI, p. 278; Vol. XXXIII, p. 471; Vol. XXXV (1), p. 271; XXXVII, p. 24; Vol. XLII (2), p. 644; Vol. XLII (2), p. 766; Vol. XLIII (1), p. 49; Vol. XLIII (2), p. 574; No's. XIX, XXIII and XXIV of 2008; No. XIX of 2010; No. III of 2013; No. I of 2015; No. IX of 2016 Recueil d'Ordonnances Tome XXIX, p. 406; Ordinance No. XXXIV of 2005; No. XXXIII of 2009; No. XII of 2015; No. XX of 2015; No. XXXIX of 2015; G.S.I. No. 29 of 2009.

^b Order in Council No. XVIII of 2020.

^c Order in Council No. XX of 2020.

^d Order in Council No. XIX of 2020.

Bailiwick of Guernsey) Law, 2020^e sections 85, 86 and 94 of the Insurance Business (Bailiwick of Guernsey) Law, 2002^f, and sections 62, 63 and 71 of the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002^g, and all other powers enabling it in that behalf, and after consultation with, where required, and with the agreement of, the Guernsey Financial Services Commission, and where required, after consultation with, and with the agreement of, the States of Alderney Policy and Finance Committee and the Chief Pleas of Sark Policy and Finance Committee, hereby makes the following Regulations:-

Licensing of banks.

1. (1) A person applying to the Commission under section 5 of the Banking Law, 2020 for a banking licence shall pay to the Commission at the time of making that application a fee of £40,545.

(2) A licensed institution shall pay to the Commission -

(a) on or before the last day of the month in which it is first so licensed a fee of one twelfth of the relevant annual fee payable under paragraph (b) below multiplied by the number of calendar months or part thereof between the

^e Order in Council No. XVII of 2020.

^f Order in Council No. XXI of 2002; as amended by No. I of 2000; No. XIII of 2010; Ordinance No. XXXIII of 2003; No's. XII and LI of 2008; No's. VIII and XXXI of 2010; No. XXXVI of 2011; No. LV of 2014; Nos. XII and XX of 2015; No. IX of 2016; G.S.I. No. 33 of 2004; G.S.I. No. 4 of 2008; G.S.I. No's. 15 and 83 of 2010; G.S.I. No. 68 of 2014.

^g Order in Council No. XXII of 2002; No. I of 2000; No. XIII of 2010; Ordinance No. XXXIII of 2003; No. XIII of 2008; No's. IX and XXXII of 2010; Nos. XII and XX of 2015; No. IX of 2016; G.S.I. No. 2 of 2008; G.S.I. No's. 16 and 83 of 2010.

date on which it is first so licensed and the end of the calendar year in which that date falls; and thereafter,

(b) on or before the 31st January each year where the licence is in effect on the 1st January of that year, a fee of £61,515 unless the licensed institution demonstrates to the Commission before the fee becomes due that its total assets as defined -

(i) were less than £500,000,000, in which case the relevant annual fee is £40,545, or

(ii) were equal to, or more than, £500,000,000 but less than £1,000,000,000, in which case the relevant annual fee is a sum equal to the value of the total assets multiplied by 0.000061516, **PROVIDED** that the relevant annual fee shall in no case be less than £40,545,

and the licensed institution shall also pay -

(A) in respect of each of its branches established outside the Bailiwick of Guernsey, in cases where the licensed institution is incorporated in the Bailiwick of Guernsey -

(I) on or before the last day of the month in which the branch is first

so established, a fee of one twelfth of the fee payable under sub-item (II) below multiplied by the number of calendar months or part thereof between the date on which it is first so established and the end of the calendar year in which that date falls; and thereafter,

(II) on or before the 31st January in each year where the branch is already established on the 1st January of that year, a fee of £15,379,

(B) in respect of a licensed institution incorporated in the Bailiwick of Guernsey -

(I) on or before the last day of the month in which it is first so licensed, a fee of one twelfth of the fee payable under sub-item (II) below multiplied by the number of calendar months or part thereof between the date on which it is first so licensed and the end of the calendar year in

which that date falls; and thereafter,

- (II) on or before the 31st January in each year where it is already so licensed on the 1st January of that year, a fee of 25% of the relevant annual fee payable under paragraph (b), (b)(i) or (b)(ii), as the case may be, subject to a maximum of £15,379, and
- (C) in respect of a licensed institution operating as a retail bank -

- (I) on or before the last day of the month in which it is first so licensed and operating, a fee of one twelfth of the fee payable under sub-item (II) below multiplied by the number of calendar months or part thereof between the date on which it is first so licensed and operating and the end of the calendar year in which that date falls; and thereafter,

(II) on or before the 31st January in each year where it is already so licensed and operating on the 1st January of that year, a fee of 50% of the relevant annual fee payable under paragraph (b), (b)(i) or (b)(ii), as the case may be, subject to a maximum of £30,758,

(D) in respect of a licensed institution which has two or more trading names or brand names-

(I) on or before the last day of the month in which it is first so licensed and operating, a fee of one twelfth of the fee payable under sub-item (II) below multiplied by the number of calendar months or part thereof between the date on which it is first so licensed and operating and the end of the calendar year in which that date falls; and thereafter,

(II) on or before the 31st January in each year where it is already so licensed and operating on the 1st

January of that year, a fee of 50% of the relevant annual fee payable under paragraph (b), (b)(i) or (b)(ii), as the case may be, subject to a maximum of £30,758,

PROVIDED that, in respect of a fee payable under (D), the Commission may decide to waive the fee.

(3) A person or a licensee notifying the Commission under section 14 of the Banking Law that a person intends to become a controller of that licensee, as defined in section 66 of the Banking Law, shall pay to the Commission at the time of making that application a fee of £2,195.

Licensing of insurers.

2. (1) Subject to regulation 3, and subject to the Protected Cell Companies and Incorporated Cell Companies (Fees for Insurers) Regulations, 2021^h -

(a) a body applying to the Commission under section 6 of the Insurance Business Law to be licensed as an insurer in respect of insurance business that is long term business as defined in Schedule 1 to that Law other than solely domestic business shall pay to the Commission when making that application a fee of £6,150, and

^h A Statutory Instrument made by the Policy & Resources Committee on the date on which these regulations were made.

(b) a body so licensed under section 7 of the Insurance Business Law shall pay to the Commission -

(i) on or before the last day of the month in which it is first so licensed a fee of one twelfth of the relevant annual fee payable under subparagraph (ii) below multiplied by the number of calendar months or part thereof between the date on which it is first so licensed and the end of the calendar year in which that date falls; and thereafter,

(ii) on or before 31st January each year where the licence is in effect on 1st January of that year, an annual fee of £92,330, unless the body demonstrates to the Commission before the fee becomes due that its net retained policyholders' liabilities (after any reinsurance) at the end of the body's financial year most recently completed on or before 31st August of the calendar year preceding that in which the said fee must be paid-

(A) are less than £1, in which case the annual fee is £6,150,

(B) are equal to, or more than, £1 but less than £1,000,000, in which case the annual fee is £7,980,

- (C) are equal to, or more than, £1,000,000 but less than £10,000,000, in which case the annual fee is £9,800,
- (D) are equal to, or more than, £10,000,000 but less than £100,000,000, in which case the annual fee is £15,245,
- (E) are equal to, or more than, £100,000,000 but less than £500,000,000, in which case the annual fee is £24,320,
- (F) are equal to, or more than, £500,000,000 but less than £2,000,000,000, in which case the annual fee is £47,090

PROVIDED that where a body has ceased writing new insurance business before the fee becomes due the annual fee will be £15,245, unless the body demonstrates to the Commission before the fee becomes due that its net retained policyholders' liabilities (after any reinsurance) at the end of the body's financial year most recently completed on or before 31st August of the calendar year preceding that in which the said fee must be paid -

- (I) are less than £1, in which case the annual fee is £6,150,
- (II) are equal to, or more than, £1 but less than £10,000,000, in which case the annual fee is £7,970,
- (III) are equal to, or more than, £10,000,000 but less than £500,000,000, in which case the annual fee is £10,700.

(2) Subject to regulation 3, and subject to the Protected Cell Companies and Incorporated Cell Companies (Fees for Insurers) Regulations, 2021-

- (a) a body applying to the Commission under section 6 of the Insurance Business Law to be licensed as an insurer in respect of insurance business that is general business as defined in Schedule 5 to that Law other than solely domestic business shall pay to the Commission when making that application a fee of -
 - (i) £6,150 in the case of a Category 5 or Category 6 insurer (see Regulation 13), or
 - (ii) £9,220 in the case of a Category 3 or Category 4 insurer (see Regulation 13), and
- (b) a body so licensed under section 7 of the Insurance Business Law shall pay to the Commission -

- (i) on or before the last day of the month in which it is first so licensed a fee of one twelfth of the fee payable under (ii) below divided by twelve and multiplied by the number of calendar months or part thereof between the date on which it is first so licensed and the end of the calendar year in which that date falls; and thereafter,
- (ii) on or before 31st January each year where the licence is in effect on 1st January of that year, a fee of –
 - (A) £6,150 in the case of a Category 5 or Category 6 insurer (see Regulation 12),
or
 - (B) £9,220 in the case of a Category 3 or Category 4 insurer (see Regulation 12).

(3) Subject to regulation 3, and subject to the Protected Cell Companies and Incorporated Cell Companies (Fees for Insurers) Regulations, 2021 -

- (a) a body applying to the Commission under section 6 of the Insurance Business Law to be licensed as an insurer in respect of insurance business which is solely domestic insurance business shall pay to the Commission when making that application a fee of £3,465, and

(b) a body so licensed under section 7 of the Insurance Business Law shall pay to the Commission -

(i) on or before the last day of the month in which it is first so licensed a fee of one twelfth of the relevant annual fee payable under (ii) below multiplied by the number of calendar months or part thereof between the date on which it is first so licensed and the end of the calendar year in which that date falls; and thereafter,

(ii) on or before 31st January each year where the licence is in effect on 1st January of that year, an annual fee of £17,660 unless the body demonstrates to the Commission before the fee becomes due that its gross premium income at the end of the body's financial year most recently completed on or before 31st August of the calendar year preceding that in which the said fee must be paid -

(A) is less than £12,000, in which case the annual fee is £515, or

(B) is equal to, or more than £12,000 but less than £5,000,000, in which case the annual fee is £3,465.

(4) Where a licensed insurer applies to the Commission under the Insurance Business Law to vary the activities in respect of which it is licensed to carry on business it shall at the time of making the application pay to the Commission a fee of £1,245.

(5) A person or a licensee notifying the Commission under section 25 of the Insurance Business Law that a person intends to become a controller of that licensee shall pay to the Commission at the time of making that notification a fee of £2,195.

Licensing of mutual, provident or friendly societies.

3. (1) A mutual, provident or friendly society shall pay to the Commission when applying under section 6 of the Insurance Business Law to be licensed as an insurer a fee of £3,465.

(2) A mutual, provident or friendly society licensed as an insurer under section 7 of the Insurance Business Law shall pay to the Commission -

- (a) on or before the last day of the month in which it is first so licensed a fee of £3,465 divided by twelve and multiplied by the number of calendar months or part thereof between the date on which it is first so licensed and the end of the calendar year in which that date falls; and thereafter
- (b) on or before 31st January each year where the licence is in effect on 1st January of that year, a fee of £3,465.

(3) If the Commission has certified that it does not consider the society to be a commercial insurer and has not withdrawn that certification this regulation applies with the substitution of "£515" for "£3,465".

Application for consent to a scheme for the transfer of long term business

4. A body serving on the Commission under section 45(3)(c) of the Insurance Business Law a copy of an application to the Royal Court for an order under section 44 of that Law sanctioning a scheme for the transfer of long term business shall pay to the Commission when serving that document a fee of £5,770.

Licensing of insurance intermediaries.

5. (1) A person applying to the Commission under section 3 of the IMII Law to be licensed as an insurance intermediary shall pay to the Commission when making that application a fee of £5,790.

PROVIDED that, and notwithstanding the foregoing provisions of this paragraph, if

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- (A) the person intends to arrange contracts of insurance in, or provide advice on, only one subclass of general insurance business,
- (B) such business will be incidental to the person's other business activities, and
- (C) the person is a member of an association based in Guernsey which has established standards acceptable to the Commission on the provision of advice relating to travel insurance,

then if the association so agrees, the association shall pay a fee of £1,585 on behalf of that person, and all other persons to whom this proviso applies and who are members of the association, instead of the fee which each of those persons would otherwise have been obliged to pay under this regulation.

(2) A licensed insurance intermediary shall pay to the Commission-

(a) on or before the last day of the month in which it is first so licensed a fee equal to the sum of the following amounts -

(i) £2,795, and

(ii) if the intermediary provides advice on general personal lines insurance, £205, and

(iii) if the intermediary provides advice on general commercial insurance, £400, and

(iv) if the intermediary provides advice on long term life insurance where there is no investment element, £400, and

(v) if the intermediary provides advice on long term regular premium savings products, £610, and

(vi) if the intermediary provides advice on long term single premium products, £1,975, plus £1,220 if the intermediary is licensed under the POI Law for either or both of the restricted activities of promotion and advising, and no other restricted activities, in respect of "Category 1 : collective investment schemes" under Schedule 1 to that Law but PROVIDED that if the intermediary has not yet been so licensed under the POI Law the said fee of £1,220 should be paid when it is first so licensed, divided by twelve and multiplied by the number of calendar months or part thereof between the date on which it is first so licensed and the end of the calendar year in which that date falls, and

(vii) a turnover related fee of £1,975,

divided by twelve and multiplied by the number of calendar months or part thereof between the date on which it is first so licensed and the end of the calendar year in which that date falls; and thereafter,

(b) on or before 31st January each year where the licence is in effect on 1st January of that year, or such later date as may be agreed by the Commission, or in accordance with any conditions imposed under section 7 of that Law, a fee equal to the sum of the following amounts -

- (i) £2,795, and
- (ii) if the intermediary provides advice on general personal lines insurance, £205, and
- (iii) if the intermediary provides advice on general commercial insurance, £400, and
- (iv) if the intermediary provides advice on long term life insurance where there is no investment element, £400, and
- (v) if the intermediary provides advice on long term regular premium savings products, £610, and
- (vi) if the intermediary provides advice on long term single premium products, £1,975, plus £1,220 if the intermediary is licensed under the POI Law for either or both of the restricted activities of promotion and advising, and no other restricted activities, in respect of "Category 1 : collective investment schemes" under Schedule 1 to that Law but PROVIDED that if the intermediary has not yet been so licensed under the POI Law the said fee of £1,220 should be paid when it is first so licensed, divided by twelve and multiplied by the number of calendar months or part thereof between the date on which it is first so licensed

and the end of the calendar year in which that date falls, and

(vii) a turnover related fee of £7,930 unless the intermediary demonstrates to the Commission before the fee becomes due that its brokerage turnover at the end of the intermediary's financial year most recently completed on or before 30th June of the calendar year preceding that in which the said fee must be paid -

(A) is less than £250,000 in which case the turnover related fee is £1,975,

(B) is equal to, or more than, £250,000 but less than £500,000, in which case the turnover related fee is £2,990,

(C) is equal to, or more than, £500,000 but less than £750,000, in which case the turnover related fee is £3,955,

(D) is equal to, or more than, £750,000 but less than £1,000,000, in which case the turnover related fee is £4,955,

(E) is equal to, or more than, £1,000,000 but less than £2,000,000, in which case the turnover related fee is £5,945, or

- (F) is equal to, or more than, £2,000,000 but less than £3,000,000, in which case the turnover related fee is £6,945.

PROVIDED that, and notwithstanding the foregoing provisions of this paragraph, if -

- (I) the intermediary intends to arrange contracts of insurance in, or provide advice on, only one subclass of general insurance business, and
- (II) such business will be incidental to the intermediary's other business activities, and
- (III) the intermediary is a member of an association based in Guernsey which has established standards acceptable to the Commission on the provision of advice relating to travel insurance,

then if the association so agrees, the association shall pay a fee of £1,585 on behalf of that intermediary, and all other intermediaries to whom this proviso applies and who are members of the association, instead of the fee which each of those intermediaries would otherwise have been obliged to pay under paragraph (2)(b) of this

regulation and a fee of £1,585 divided by twelve and multiplied by the number of calendar months or part thereof between the date on which the intermediary is first so licensed and the end of the calendar year in which that date falls, instead of the fee which the intermediary would otherwise have been obliged to pay under paragraph (2)(a) of this regulation,

(3) The Commission may at its absolute discretion vary the fee payable under paragraph (2) of this regulation where three or more licensed insurance intermediaries are members of the same group of companies.

(4) Where a licensed insurance intermediary applies to the Commission to extend the activities in respect of which it is licensed to carry on business -

- (a) it shall at the time of making the application pay to the Commission for each additional activity applied for a fee of -
 - (i) £205 to provide advice on general personal lines insurance,
 - (ii) £400 to provide advice on general commercial insurance,
 - (iii) £400 to provide advice on long term life insurance where there is no investment element,

- (iv) £610 to provide advice on long term regular premium savings products,
 - (v) £1,975 to provide advice on long term single premium products,
- (b) it shall on or before the last day of the month in which any additional activity is first so licensed pay to the Commission in respect of that activity a fee of -
- (i) £205 to provide advice on general personal lines insurance,
 - (ii) £400 to provide advice on general commercial insurance,
 - (iii) £400 to provide advice on long term life insurance where there is no investment element,
 - (iv) £610 to provide advice on long term regular premium savings products,
 - (v) £1,975 to provide advice on long term single premium products, plus £1,220 if the intermediary is licensed under the POI Law for either or both of the restricted activities of promotion and advising, and no other restricted activities, in respect of "Category 1 : collective investment schemes" under Schedule 1 to that

Law (but **PROVIDED** that if the intermediary has not yet been so licensed under the POI Law the said fee of £1,220 should be paid when it is first so licensed, divided by twelve and multiplied by the number of calendar months or part thereof between the date on which it is first so licensed and the end of the calendar year in which that date falls),

divided by twelve and multiplied by the number of calendar months or part thereof between the date on which the activity is first so licensed and the end of the calendar year in which that date falls.

- (5) "brokerage turnover" means -
- (a) the figure, if any, shown in the intermediary's audited financial statements as being the gross turnover from that intermediary's activities as an insurance intermediary in the financial year or, if none,
 - (b) the figure, if any, certified by the auditor to the Commission as being the gross turnover from the activities as an insurance intermediary in the financial year or, if none,
 - (c) the figure shown in the audited financial statements as being the gross turnover in the financial year or,

- (d) in the case of an intermediary not obliged to produce audited financial statements for the financial year or not yet carrying on any activities as an insurance intermediary, the figure agreed between him and the Commission as an estimate of the gross turnover from that intermediary's activities as an insurance intermediary for the financial year.

PROVIDED that if the financial year was not a period of twelve months, the intermediary's brokerage turnover shall be the brokerage turnover as determined above divided by the number of calendar months or part thereof in that financial year and multiplied by twelve.

- (6) A person or a licensee, notifying the Commission under section 37 of the IMII Law that a person intends to become a controller of that licensee shall pay to the Commission at the time of making that notification a fee of £2,195.

Licensing of insurance managers.

- 6. (1) A person applying to the Commission under section 3 of the IMII Law to be licensed to act in Guernsey as an insurance manager shall pay to the Commission at the time of making that application a fee of £5,720.

- (2) An insurance manager licensed under section 4 of the IMII Law shall pay to the Commission -

- (a) on or before the last day of the month in which it is first so licensed a fee of £9,090 divided by twelve and multiplied by the number of calendar months or part

thereof between the date on which it is first so licensed and the end of the calendar year in which that date falls; and thereafter,

- (b) on or before 31st January each year where the licence is in effect on 1st January of that year, a fee of £9,090.

PROVIDED that -

- (i) if the insurance manager demonstrates to the Commission before the fee is due that each insurer for which he acts underwrites only -
 - (A) the risks of the insurer's parent,
 - (B) the risks of subsidiaries of the insurer's parent,
 - (C) the risks of a joint venture company where the risks underwritten by the insurer are limited to the equity interest held by the insurer's parent in that company, or
 - (D) risks which are fully reinsured by the insurer's parent, where the parent is an insurance company,

then paragraph (2) of this regulation applies with the substitution of "£5,430" for "£9,090",

- (ii) if the insurance manager demonstrates to the Commission before the fee is due that he acts only for business underwritten by members of the Society of Lloyd's then paragraph (1) of this regulation applies with the substitution of "£3,145" for "£5,720" and paragraph (2) of this regulation applies with the substitution of "£3,145" for "£9,090",
- (iii) if the insurance manager demonstrates to the Commission before the fee is due that each insurer for which he acts is a mutual, provident or friendly society then paragraph (2) of this regulation applies with the substitution of "£5,430" for "£9,090".

(3) A person or a licensee notifying the Commission under section 37 of the IMII Law that a person intends to become a controller of that licensee shall pay to the Commission at the time of making that notification a fee of £2,195.

Licensing of controlled investment business.

7. (1) A person applying to the Commission under section 3 of the POI Law for a licence to carry on controlled investment business in or from within the Bailiwick shall pay to the Commission at the time of making that application a fee of £2,550.

(2) A person who is licensed under section 4 of the POI Law to carry on controlled investment business shall pay to the Commission -

(a) in the case of a person who is licensed to carry on the restricted activity of operating an investment exchange -

(i) on or before the last day of the month in which the licence is first issued, a fee of one twelfth of the fee payable under subparagraph (ii) below multiplied by the number of calendar months or part thereof between the date on which the licence is first issued and the end of the calendar year in which that date falls; and thereafter,

(ii) on or before the 31st January in each year where the licence is in effect on the 1st January of that year, a fee of £71,565,

(b) in the case of a designated administrator of, or a designated trustee or custodian of the assets of, an authorised or registered open-ended collective investment scheme -

(i) on or before the last day of the month in which the licence is first issued, a fee of one twelfth of the fee payable under subparagraph (ii) below multiplied by the number of calendar months or part thereof between the date on which the

licence is first issued and the end of the calendar year in which that date falls; and thereafter,

(ii) on or before the 31st January in each year where the licence is in effect on the 1st January of that year, a fee of –

(A) £3,650 where the annual turnover is less than £1,500,000,

(B) £5,750 where the annual turnover is equal to, or more than £1,500,000 but less than £3,000,000,

(C) £7,750 where the annual turnover is equal to, or more than, £3,000,000 but less than £6,000,000,

(D) £10,000 where the annual turnover is equal to, or more than, £6,000,000 but less than £12,000,000, or

(E) £12,500 where the annual turnover is £12,000,000 or above,

where turnover refers to the figure shown in the audited financial statements as being the gross turnover in the relevant accounting period,

(c) in the case of a designated administrator of an authorised or registered closed-ended collective investment scheme -

(i) on or before the last day of the month in which the licence is first issued, a fee of one twelfth of the fee payable under subparagraph (ii) below multiplied by the number of calendar months or part thereof between the date on which the licence is first issued and the end of the calendar year in which that date falls; and thereafter,

(ii) on or before the 31st January in each year where the licence is in effect on the 1st January of that year, a fee of -

(A) £3,650 where the annual turnover is less than £1,500,000,

(B) £5,750 where the annual turnover is equal to, or more than £1,500,000 but less than £3,000,000,

(C) £7,750 where the annual turnover is equal to, or more than, £3,000,000 but less than £6,000,000,

(D) £10,000 where the annual turnover is equal to, or more than, £6,000,000 but less than £12,000,000, or

(E) £12,500 where the annual turnover is £12,000,000 or above,

where turnover refers to the figure shown in the audited financial statements as being the gross turnover in the relevant accounting period,

(d) in the case of a holder of a licence issued under section 4 of the POI Law, which has one or more authorised financial advisersⁱ and which also holds a licence issued under the Banking Law, but is not a designated administrator, designated trustee or custodian, or broker -

(i) on or before the last day of the month in which the licence is first issued, a fee of one twelfth of the fee payable under subparagraph (ii) below multiplied by the number of calendar months or part thereof between the date on which the

ⁱ As defined in Rule 2.2. of the Licensees (Conduct of Business) Rules and Guidance 2021 G.S.I. No 141 of 2021.

licence is first issued and the end of the calendar year in which that date falls; and thereafter,

(ii) on or before the 31st January in each year where the licence is in effect on the 1st January of that year, a fee of £3,650;

(e) in the case of a manager of an overseas collective investment scheme –

(i) on or before the last day of the month in which the licence is first issued, a fee of one twelfth of the fee payable under subparagraph (ii) below multiplied by the number of calendar months or part thereof between the date on which the licence is first issued and the end of the calendar year in which that date falls; and thereafter,

(ii) on or before the 31st January in each year where the licence is in effect on the 1st January of that year, a fee of £3,650;

(f) in the case of a broker or a licensee with an authorized financial adviser –

- (i) on or before the last day of the month in which the licence is first issued, a fee of one twelfth of the fee payable under subparagraph (ii) below multiplied by the number of calendar months or part thereof between the date on which the licence is first issued and the end of the calendar year in which that date falls; and thereafter,

- (ii) on or before the 31st January in each year where the licence is in effect on the 1st January of that year, a fee of –
 - (A) £3,650 where the annual turnover is less than £1,500,000,

 - (B) £5,750 where the annual turnover is equal to, or more than £1,500,000 but less than £3,000,000,

 - (C) £7,750 where the annual turnover is equal to, or more than £3,000,000 but less than £6,000,000,

 - (D) £10,000 where the annual turnover is equal to, or more than £6,000,000 but less than £12,000,000, or

 - (E) £12,500 where the annual turnover is £12,000,000 or above,

where turnover refers to the figure shown in the audited financial statements as being the gross turnover in the relevant accounting period,

(g) in the case of a principal manager of an open-ended collective investment scheme authorised or registered under section 8 of the POI Law or a manager of a closed-ended collective investment scheme authorised or registered under the said section 8 -

(i) on or before the last day of the month in which the licence is first issued, a fee of one twelfth of the fee payable under subparagraph (ii) below multiplied by the number of calendar months or part thereof between the date on which the licence is first issued and the end of the calendar year in which that date falls; and thereafter,

(ii) on or before the 31st January in each year where the licence is in effect on the 1st January of that year, a fee of £1,825,

(h) in all other cases -

(i) on or before the last day of the month in which the licence is first issued, a fee of one twelfth of the fee payable under subparagraph (ii) below multiplied by the number of calendar months or part thereof between the date on which the

licence is first issued and the end of the calendar year in which that date falls; and thereafter,

- (ii) on or before the 31st January in each year where the licence is in effect on the 1st January of that year, a fee of £3,650;

PROVIDED that where a fee is due by a licensed insurance intermediary under paragraph (2)(a)(vi), paragraph (2)(b)(vi) or paragraph (4)(b)(v) of regulation 5 and that person is licensed under the POI Law for either or both of the restricted activities of promotion and advising, and no other restricted activities, in respect of "Category 1 : collective investment schemes" under Schedule 1 to that Law, then no fee is due under paragraph (2)(h) of this regulation.

- (3) For the purposes of this Regulation "annual turnover" means –
 - (a) the figure, if any, shown in a person's audited financial statements as being the gross turnover from their activities in the relevant accounting period or, if none,
 - (b) the figure, if any, certified by their auditor to the Commission as being the gross turnover from their activities in the relevant accounting period, or,
 - (c) in the case of a person not obliged to produce audited financial statements for the relevant accounting period or not yet carrying on any regulated activity, the figure agreed between them and the Commission as an

estimate of the gross turnover from activities in the relevant accounting period,

PROVIDED that if the relevant accounting period was not a period of 12 months, the turnover shall be the turnover determined as above divided by the number of months (including any part of a month) in the relevant accounting period and multiplied by 12.

(4) Where a licensee applies to the Commission for a variation to that licence –

(a) to include a further controlled investment category, and/or

(b) to include further restricted activities within a controlled investment category,

the licensee shall pay, to the Commission at the time of making the application, a fee of £1,245.

(5) A person or a licensee notifying the Commission under section 40 of the POI Law that a person intends to become a controller of that licensee shall pay to the Commission at the time of making that notification a fee of £2,195.

Authorisation or registration of collective investment schemes.

8. (1) A person applying to the Commission under section 8 of the POI Law for a declaration that a collective investment scheme is an authorised or

registered collective investment scheme shall pay to the Commission at the time of making that notification -

- (a) for an application for registration, a fee of £4,000,
- (b) for an application for authorisation, either -
 - (i) a fee of £3,500, or
 - (ii) a fee of £4,000 for an application via the fast track system.

(2) The designated administrator of an open-ended collective investment scheme authorised or registered under section 8 of the POI Law shall pay to the Commission -

- (a) on or before the last day of the month in which that scheme is first declared to be an authorised or registered collective investment scheme -
 - (i) a fee of one twelfth of the fee first mentioned in paragraph (b) below multiplied by the number of calendar months or part thereof between the date on which the scheme is first declared to be an authorised or registered collective investment scheme and the end of the calendar year in which that date falls; and in addition,

(ii) in the case of an umbrella or multi-class scheme, a fee of one twelfth of the fee second mentioned in paragraph (b) below for each class or sub-fund multiplied by the number of calendar months or part thereof between the date on which the scheme is first so declared and the end of the calendar year in which that date falls; and thereafter,

(b) on or before the 31st January in each year where the scheme is already so declared on the 1st January of that year, a fee of £3,500 together with, in the case of an umbrella or multi-class scheme, a fee of £245 for each approved class or sub-fund.

(3) The designated administrator of a closed-ended collective investment scheme authorised or registered under section 8 of the POI Law shall pay to the Commission -

(a) on or before the last day of the month in which that scheme is first declared to be an authorised or registered collective investment scheme, a fee of one twelfth of the fee payable under paragraph (b) below multiplied by the number of calendar months or part thereof between the date on which the scheme is first declared to be an authorised or registered collective investment scheme and the end of the calendar year in which that date falls; and thereafter,

- (b) on or before the 31st January in each year where the scheme is already so declared on the 1st January of that year, a fee of £3,500.

(4) The designated administrator of an authorised or registered open-ended collective investment scheme shall pay to the Commission, whenever the Commission is notified in accordance with any Rules for the time being in force of a proposed alteration which would have the effect of adding a class or sub-fund to the scheme, a fee of £790 for each additional class or sub-fund.

(5) Where a collective investment scheme authorised under section 8 of the POI Law, on which a condition has been imposed under section 9 of the Law, wishes to remove a condition that restricts the types of persons who may invest in the scheme, an application for removal of that restriction -

- (a) may be made to the Commission by or on behalf of the scheme, and
- (b) shall be accompanied by a fee of £2,830 –
 - (i) where the scheme is applying for the removal of restrictions associated with being a Qualifying Investor Fund; or
 - (ii) where the scheme is applying for the removal of restrictions associated with being registered as a Private Investment Fund.

Designated territory investment business notification.

9. (1) The fee payable to the Commission by a person giving notice, in accordance with section 44(1)(c)(iv) of the POI Law, of the date from which that person intends to promote a collective investment scheme in or from within the Bailiwick is -

- (a) if the designated country or territory in or from within which, and under the law of which, it is permitted to promote that scheme is anywhere other than the Bailiwick of Jersey, £1,215 in respect of each collective investment scheme in connection with which notice is given,
- (b) if that designated country or territory is the Bailiwick of Jersey, nil.

(2) In the case of a collective investment scheme in respect of which notice is given in accordance with section 44(1)(c)(iv) of the POI Law, and in respect of which the Commission's decision that the person giving the notice is a person to whom section 44(1)(c) of that Law applies is made on or after the 1st January, 2010, the person giving the notice shall pay to the Commission -

- (a) on or before the last day of the month in which the Commission's decision is made, a fee of one twelfth of the fee payable under paragraph (b) below multiplied by the number of calendar months or part thereof between the date on which the decision is made and the end of the calendar year in which that date falls; and thereafter,

- (b) on or before the 31st January in each year where the decision is already in effect on the 1st January of that year, a fee of £610.

Licensing of fiduciaries.

10. (1) Subject to paragraph (20), a person who applies for a personal fiduciary licence shall, on making the application, pay to the Commission a fee of £1,120.

(2) Subject to paragraphs (5) and (19), a person who applies for a primary fiduciary licence shall, on making the application, pay to the Commission a fee of £2,550.

(3) Subject to paragraphs (5) and (19) a person who applies for a secondary fiduciary licence shall, on making the application, pay to the Commission a fee of £2,550.

(4) Where an application for a primary fiduciary licence and one or more secondary fiduciary licences is submitted jointly by companies which are in the same ownership and have common staff, procedures and clients, the applicants shall nominate one of their number as the designated primary fiduciary licensee.

(5) Where a joint application is made, the primary fiduciary licensee shall, on making the application and subject to paragraph (19), pay to the Commission a fee of £2,550 and a further £620 for each applicant for a secondary fiduciary licence.

(6) A person to whom the Commission decides to grant a personal fiduciary licence shall pay to the Commission a fee of one twelfth of the relevant annual fee for each calendar month or part of a calendar month between the Commission's decision to grant the licence and the 31st December next following that decision.

(7) A fee payable under paragraph (6) is due immediately upon the Commission notifying the applicant of its decision to grant a personal fiduciary licence.

(8) A person who on the 1st January of any year holds, and wishes to continue to hold, a personal fiduciary licence shall pay to the Commission an annual fee of £1,160.

(9) A fee payable under paragraph (8) is due by the 31st January in respect of each calendar year.

(10) A person to whom the Commission decides to grant a primary fiduciary licence shall pay to the Commission a fee of one twelfth of the relevant annual fee for each calendar month or part of a calendar month between the Commission's decision to grant the licence and the 31st December next following that decision.

(11) A fee payable under paragraph (10) is due immediately upon the Commission notifying the applicant of its decision to grant a primary fiduciary licence.

(12) Where the Commission decides to grant a primary fiduciary licence and one or more secondary fiduciary licences following a joint application, the

primary fiduciary licensee and each related secondary licensee shall be jointly and severally liable for the fee payable under paragraph (9).

(13) **"Fiduciary turnover"** means -

- (a) the figure, if any, shown in a person's audited financial statements as being the gross turnover from that person's regulated activities in the relevant accounting period or, if none,
- (b) the figure, if any, certified by that person's auditor to the Commission as being the gross turnover from the regulated activities in the relevant accounting period or, if none,
- (c) the figure shown in the audited financial statements as being the gross turnover in the relevant accounting period, or
- (d) in the case of a person not obliged to produce audited financial statements for the relevant accounting period or not yet carrying on any regulated activity, the figure agreed between him and the Commission as an estimate of the gross turnover from regulated activities in the relevant accounting period.

PROVIDED that -

- (i) if the relevant accounting period was not a period of twelve months, the person's fiduciary turnover shall be that person's fiduciary turnover determined as above divided by the number of months (including any part of a month) in the relevant accounting period and multiplied by twelve, and
- (ii) if the person made a joint application, the gross turnover, or gross turnover from regulated activities, of that person and of any other persons with whom he made and remains eligible to make a joint application shall, for the purposes of this regulation, be the aggregate gross turnover, or as applicable the aggregate gross turnover from regulated activities, of all of those persons.

(14) **"Relevant annual fee"** means –

- (a) in relation to any period after the 31st December, 2021, £56,580 unless the person by whom it is payable demonstrates to the Commission (before the fee becomes due) that the fiduciary turnover -
 - (i) is less than £250,000, in which case the relevant annual fee is £5,660,

- (ii) is equal to, or more than, £250,000 but less than £500,000, in which case the relevant annual fee is £11,315,
 - (iii) is equal to, or more than, £500,000 but less than £1,000,000, in which case the relevant annual fee is £16,975,
 - (iv) is equal to, or more than, £1,000,000 but less than £2,000,000, in which case the relevant annual fee is £22,630,
 - (v) is equal to, or more than, £2,000,000 but less than £4,000,000, in which case the relevant annual fee is £28,290,
 - (vi) is equal to, or more than, £4,000,000 but less than £8,000,000, in which case the relevant annual fee is £33,945,
 - (vii) is equal to, or more than, £8,000,000 but less than £16,000,000, in which case the relevant annual fee is £42,260, and
- (b) where that person holds a primary fiduciary licence or a secondary fiduciary licence and undertakes the regulated activity set out in section 2(1)(e) of the Fiduciary Law –

- (i) £515 and
- (ii) £1 per member of each gratuity scheme and each pension scheme to which that licensee is providing services, up to a maximum per gratuity scheme or pension scheme of £7,500.

(15) A person who on the 1st January of any year holds a primary fiduciary licence or a secondary fiduciary licence shall pay to the Commission the relevant annual fee by the 31st January in that year.

(16) A primary fiduciary licensee and each related secondary fiduciary licensee shall be jointly and severally liable for the fee payable under paragraph (15).

(17) An individual who applies under section 3(1)(ac) of the Fiduciary Law for an exemption shall, on making the application, pay a fee of £525.

(18) A company or partnership which applies under section 3(1)(ac) of the Fiduciary Law for an exemption shall, on making the application, pay a fee of £1,175.

(19) If the Commission notifies a person who has made an application for any exemption under section 3(1)(ac) of the Fiduciary Law that the application has been unsuccessful and, within three months of that notification, he applies for a fiduciary licence, the fee paid under this regulation shall be set off against the fee payable under paragraph (1) or (2) as appropriate.

(20) A person applying to the Commission for its permission under section 50 of the Financial Services Business (Enforcement Powers) (Bailiwick of Guernsey) Law, 2020 to use a name or description shall, on making the application, pay a fee of £1,995,856.

(21) If any fee due under this regulation is not paid when it is due, the Commission shall without prejudice to any other remedy in respect of the non-payment be entitled to the payment of interest calculated on that fee or so much of it as may for the time being be outstanding at the rate of 10% per annum from the date on which payment became due to that on which payment was made.

(22) A person or licensee notifying the Commission under section 14 of The Fiduciary Law that a person intends to become a controller of that licensee shall pay to the Commission at the time of making that notification a fee of £2,195.

Power of Commission to waive fees.

11. The Commission may in its absolute discretion waive any fee, or part of a fee, payable pursuant to these Regulations.

Fees: recovery and refunds.

12. The fees payable under these Regulations –

- (a) are recoverable from the person obliged to pay by the Commission as a civil debt, and
- (b) are not refundable.

Interpretation.

13. (1) In these Regulations, unless the context otherwise requires –

"Banking Law" means the Banking Supervision (Bailiwick of Guernsey) Law, 2020,

"brokerage turnover" has the meaning given by regulation 4(5),

"Category 3" means a general insurer with an element of unrelated party business or an insurer so categorised by the Commission under the Insurance Business (Solvency) Rules, 2021,

"Category 4" means a general reinsurer providing reinsurance to a commercial insurer, whether or not part of the same group, and with no direct business or an insurer so categorised by the Commission under the Insurance Business (Solvency) Rules, 2021,

"Category 5" means a life or general insurance or reinsurance entity created and owned, directly or indirectly, by one or more industrial, commercial or financial entities or associations, the purpose of which is to provide insurance or reinsurance cover for risks (other than commercial insurance risks) of the entity or entities to which it belongs, or for entities connected to those entities or an insurer so categorised by the Commission under the Insurance Business (Solvency) Rules, 2021^j,

"Category 6" means:

^j G.S.I No 136 of 2021

- (i) Special Purpose Insurers as defined under the Insurance Business Rules 2021^k, or
- (ii) transformer cells, namely cells whose primary purpose is to enable transactions between the Capital and Insurance markets by converting contracts written on ISDA documentation into contracts written on traditional insurance documentation or vice versa, and
- (iii) entities or a cell of a protected cell company or incorporated cell company so categorised by the Commission under the Insurance Business (Solvency) Rules, 2021,

"the Commission" means the Guernsey Financial Services Commission, established by the Financial Services Commission (Bailiwick of Guernsey) Law, 1987,

"Fiduciary Law" means the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2020,

"fiduciary licence" means a primary fiduciary licence, secondary fiduciary licence or a personal fiduciary licence,

"fiduciary turnover" has the meaning given by regulation 10(13),

^k G.S.I No 137 of 2021

"financial statements", means financial statements which comply with the requirements of Rule 2.4 of the Fiduciary Rules, 2021,

"Financial Services Business Law", means the Financial Services Business Law (Enforcement Powers) (Bailiwick of Guernsey) Law, 2020

"gratuity scheme" has the meaning given in section 2(1)(e) of the Fiduciary Law,

"Insurance Business Law" means the Insurance Business (Bailiwick of Guernsey) Law, 2002,

"IMII Law" means the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002

"joint application" means an application of the type described in regulation 10(3),

"manager", in relation to a closed-ended investment company, a closed-ended unit trust or a closed-ended limited partnership, means an entity equivalent to a principal manager of a collective investment scheme authorised by the Commission,

"pension scheme" has the meaning given in section 59 of the Fiduciary Law,

"personal fiduciary licence" means a fiduciary licence granted by the Commission of the category set out in section 4(4) of the Fiduciary Law,

"POI Law" means the Protection of Investors (Bailiwick of Guernsey) Law, 2020,

"primary fiduciary licence" means a fiduciary licence granted by the Commission of the category set out in section 4(2) of the Fiduciary Law,

"principal documents", in relation to -

- (a) a unit trust scheme, means the trust deed,
- (b) a company scheme, means the articles of association of a Bailiwick company (or the equivalent document under the applicable law of a body corporate incorporated elsewhere than in the Bailiwick), the management agreement and the trustee agreement,
- (c) a collective investment scheme other than a unit trust scheme or a company scheme, means the documents dealing collectively with the same or similar obligations, rights and duties as the principal documents of a unit trust scheme or a company scheme,

"principal manager", in relation to a collective investment scheme authorised by the Commission, means the principal manager of that scheme appointed under the principal documents which has delegated the performance of some or all of its functions to the designated manager,

"regulated activity", in regulation 10, means an activity described in section 2 of the Fiduciary Law, when carried on by way of business,

"relevant accounting period" means a person's accounting period completed on or most recently completed prior to the 30th June in the year preceding that for which the relevant annual fee is due or, in the case of a person not yet carrying on any regulated activity, the first accounting period in which he will do so.

"relevant annual fee", in regulation 10, means the fee payable by a person by virtue of regulation 10(14),

"retail bank" means a licensed institution which deals largely with the general public,

"secondary fiduciary licence" means a fiduciary licence granted by the Commission of the category set out in section 4(3) of the Fiduciary Law,

"total assets" means the total assets of the licensed institution in question as reported to the Commission on line E.9 of the institution's return submitted on form BSL/2 in respect of the quarter ending on the 30th September in the year preceding that in which the relevant fee is payable,

and other words and expressions have the same meanings as they have in the enactment conferring the powers under which the particular Regulation is made.

Revocation.

14. The Financial Services Commission (Fees) Regulations, 2020¹ are revoked.

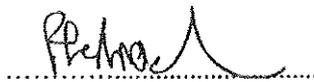
Citation.

15. These Regulations may be cited as the Financial Services Commission (Fees) Regulations, 2021.

Commencement.

16. These Regulations shall come into force on the 1st January, 2022.

Dated this 14th day of December, 2021



Deputy P. T. R. FERBRACHE

President of the Policy & Resources Committee

For and on behalf of the Committee

¹ G.S.I. No. 121 of 2020.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations prescribe for the purposes of the Protection of Investors (Bailiwick of Guernsey) Law, 2020, the Banking Supervision (Bailiwick of Guernsey) Law, 2020, the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2020, the Insurance Business (Bailiwick of Guernsey) Law, 2002 and the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 the fees payable in respect of the licensing of controlled investment business and the authorisation and registration of collective investment schemes, a designated territory investment business notification, the licensing of a bank, the licensing of fiduciaries, the licensing of an insurer, the service of notice of an application to the Royal Court for an order sanctioning a transfer of long term insurance business, the licensing of an insurance manager, the licensing of an insurance intermediary, and the fees payable annually thereafter. These Regulations come into force on the 1st January, 2022.