



ISLE OF MAN
FINANCIAL SERVICES AUTHORITY

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FEES 2017

**(For all entities regulated by the
Isle of Man Financial Services
Authority)**

CONSULTATION RESPONSE

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GLOSSARY OF TERMS

Term	Meaning in this document
Authority	Isle of Man Financial Services Authority
CISA08	Collective Investment Schemes Act 2008
Fees Orders and Regulations	Collective Investment Schemes (Fees) Order 2017 Financial Services (Fees) Order 2017 Insurance (Fees) Regulations 2017 Registered Schemes Administrators (Fees) Order 2017
FSA08	Financial Services Act 2008
FSC	Financial Supervision Commission
IA08	Insurance Act 2008
IPA	Insurance and Pensions Authority
RBSA00	Retirement Benefit Schemes Act 2000

1 INTRODUCTION

On 25 November 2016, the Isle of Man Financial Services Authority (**‘the Authority’**) issued for consultation the –

- Draft Collective Investment Schemes (Fees) Order 2017;
- Draft Financial Services (Fees) Order 2017;
- Draft Insurance (Fees) Regulations 2017; and
- Draft Registered Schemes Administrators (Fees) Order 2017.

The purpose of the consultation was to set out the fees that will be payable from 2017 by all persons that hold permissions under the Financial Services Act 2008 (**“FSA08”**), Insurance Act 2008 (**“IA08”**), Retirement Benefit Schemes Act 2000 (**“RBSA00”**) or that have responsibility for funds/schemes under the Collective Investment Schemes Act 2008 (**“CISA08”**).

The consultation closed on 6 January 2017.

2 BACKGROUND

2.1 Background

2.1.1 Fees for former Financial Supervision Commission (‘FSC’) licenceholders

Fees for former FSC licenceholders have previously been increased biennially and were last raised in 2015. That increase was not set at a fixed percentage, but varied according to factors including licenceholder sector, business volumes, number of sub-classes of regulated activity etc. In 2016 the FSA08 fees were updated purely to reflect the introduction of the crowdfunding and alternative banking regimes.

Fees under FSA08 and CISA08 are charged in July or August each year.

2.1.2 Fees for former Insurance and Pensions Authority (‘IPA’) regulated entities

Fees for former IPA regulated entities have been revised annually since 2010. The IPA committed to restricting its fee increases to inflation since 2013. A separate levy collected from insurers and insurance managers in 2014 was a one-off charge in respect of a specific project.

Fees for authorised insurers and permit holders are charged in April each year. Fees for insurance managers are charged in July each year. Insurance intermediaries apply annually for registration and so the application fee is payable on an annual basis on the date of first

application for registration. Fees for retirement benefits schemes' administrators are charged in August each year.

2.2 Key changes proposed in the consultation

Fees for activities regulated under the former IPA's legislation¹ were last increased in 2016, whereas fees for activities regulated under the former FSC's legislation² were last increased in 2015, but, for consistency, fees will be increased by the same percentage in 2017. The increase of 1%, based on CPI³, will apply to all fees, with amounts rounded up to the nearest £10.

Appendices B to E of the consultation paper showed the proposed new fees in the draft legislation for each regulated sector. These were presented in a tracked changes format to enable comparison with the current legislation.

3 CONSULTATION RESPONSE

The Authority received two responses in respect of the consultation with neither raising any issues or objections to the proposals.

As a result, there were no changes made to the fee levels proposed in the consultation paper.

4 REGULATIONS AND ORDERS

The Fees Orders and Regulations were made by the Authority, submitted to the March 2017 sitting of Tynwald for approval and will come into operation on 1 April 2017.

¹ Insurance Act 2008 and Retirement Benefit Schemes Act 2000

² Financial Services Act 2008 and Collective Investment Schemes Act 2008

³ Consumer Price Index. See <https://www.gov.im/media/1353354/2016-09-22-methodology-website.pdf>