

Statutory Document No. 20XX/XXXX

*Designated Businesses (Registration and Oversight) Act 2015***DESIGNATED BUSINESSES (FEES) ORDER 2020***Approved by Tynwald:**Coming into Operation:**1 April 2020*

The Isle of Man Financial Services Authority makes the following Order under sections 8(2), 13(1) and 35(1) of the Designated Businesses (Registration and Oversight) Act 2015.

1 Title

This Order is the Designated Businesses (Fees) Order 2020.

2 Commencement

If approved by Tynwald, this Order comes into operation on 1 April 2020.

3 Interpretation

In this Order —

“**the Act**” means the Designated Businesses (Registration and Oversight) Act 2015;

“**annual registration date**” means 1 November each year;

“**the Authority**” means the Isle of Man Financial Services Authority;

“**employee**” of a registered person or applicant, has the same meaning as in section 173 of the Employment Act 2006 and includes an individual who, in relation to the designated business carried on by that registered person or applicant, —

- (a) works under a contract of employment or any other contract of service;
- (b) practises alone or with others under the terms of a partnership agreement;
- (c) is otherwise engaged within the designated business of a registered person or applicant, in all cases where the individual undertakes to do or perform, directly or indirectly, work or

service in relation to the designated business of that registered person or applicant, whether or not engaged directly by the registered person or applicant or through another entity forming part of the group of entities of which the registered person or applicant is a part, and the registered person or applicant is not by virtue of the contract a customer of the individual; or

- (d) is a director or officer of that registered person or applicant;

Example:

This example relates to the definition of employee, and specifically “in relation to the designated business”. Using a firm of estate agents as an example, sales and lettings negotiators would be roles in relation to that designated business, where an office cleaner would not.

“**registered person**” means a person registered under the Act.

4 **Application**

With the exception of specified non-profit organisations, this Order applies to all applicants for registration under the Act and all registered persons.

5 **Registration fees**

An application for registration must be accompanied by the registration fee in accordance with Table A in the Schedule.

6 **Annual fees**

- (1) Except where oversight of the registered person under the Act has been delegated by the Authority, the registered person must pay an annual fee to the Authority in accordance with Table B in the Schedule.
- (2) The annual fee is payable on the annual registration date.
- (3) In the first year of registration the proportion of the annual fee relating to the period from the date of first registration until the next annual registration date (calculated pro rata in accordance with (4)) is due and payable on the date of first registration.
- (4) Where (3) applies, the annual fee shall be calculated in accordance with the following formula (rounded up to the nearest £10) —

$$\frac{F \times N}{12}$$

Where —

- F is the annual fee which would be payable apart from this article;
and

N is the number of months between the date on which the applicant for registration first becomes a registered person and the next annual registration date, counting a part of a month as a complete month.

7 Revocation

The Designated Businesses (Fees) Order 2019¹ is revoked.

MADE

K. BADGEROW

Chief Executive of the Isle of Man Financial Services Authority

L. BOYLE

Member of the Isle of Man Financial Services Authority

¹ SD 2019/0031

SCHEDULE

DESIGNATED BUSINESSES FEES

Regulation 5

TABLE A

Size of applicant for registration based on number of employees in relation to the designated business	Registration fee
Sole trader	£104 <u>£105</u>
Small applicant (2 to 5 employees)	£104 <u>£105</u>
Medium applicant (6 to 15 employees)	£156 <u>£158</u>
Large applicant (16 employees or more)	£259 <u>£262</u>

Regulation 6

TABLE B

Size of registered person based on number of employees in relation to the designated business	Annual fee
Sole trader	£156 <u>£158</u>
Small registered person (2 to 5 employees)	£363 <u>£367</u>
Medium registered person (6 to 15 employees)	£777 <u>£784</u>
Large registered person (16 employees or more)	£1,035 <u>£1,045</u>

EXPLANATORY NOTE

(This note is not part of the Order)

This Order specifies registration and annual fees payable from 1 April 2020 by applicants for registration and registered persons under the Designated Businesses (Registration and Oversight) Act 2015.

This Order provides for fees to be pro-rated, where applicable, if a registration is granted or changed during a period.

This Order revokes and replaces the Designated Businesses (Fees) Order 2019 and makes inflationary increases to all fees, based on the Consumer Price Index (CPI) inflation rate of 0.9% for the year to October 2019, with amounts being rounded up to the nearest £1.