



ISLE OF MAN
FINANCIAL SERVICES AUTHORITY

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CONSULTATION PAPER CP17-13/T14

REGULATORY FEES 2018

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CONSULTATION PAPER – CP17-13/T14

This Consultation Paper is issued by the Isle of Man Financial Services Authority, which is the regulatory body for financial services in the Isle of Man.

The purpose of the consultation is to obtain views and evidence in relation to proposed increases to regulatory fees that will be payable by all entities regulated from April 2018. The consultation is relevant to all persons that are licensed, authorised or registered under the Financial Services Act 2008, Insurance Act 2008, Retirement Benefit Schemes Act 2000 or that have responsibility for collective investment schemes under the Collective Investment Schemes Act 2008. It is also relevant to advisers to those persons, or potential applicants for those permissions or their advisers.

The closing date for comments is **5 January 2018**. The consultation is open for a 7-week period instead of the standard 6 weeks to allow additional time over Christmas and New Year period.

Please send comments in writing and preferably by email to:

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Confidentiality

The information you send may be published in full or in a summary of responses.

All information in responses, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2015 and the Data Protection Act 2002). If you want your response to remain confidential, you should explain why confidentiality is necessary. Your request will be acceded to only if it is appropriate in the circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding.

If you have a query in relation to how this consultation has been carried out, please contact the Authority's Policy and Authorisations Division by email at Policy@iomfsa.im or by telephone on +44 (0) 1624 646000.

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GLOSSARY

Term	Meaning in this document
AML/CFT	Anti-Money Laundering and Countering the Financing of Terrorism
Authority	Isle of Man Financial Services Authority
CISA08	Collective Investment Schemes Act 2008
CPI	Consumer Price Index
ERM	Enterprise Risk Management
FDA89	Fees and Duties Act 1989
FSA08	Financial Services Act 2008
IA08	Insurance Act 2008
ICP	Insurance Core Principles
LTBF	Long-term business fund
RBSA00	Retirement Benefits Schemes Act 2000

1 EXECUTIVE SUMMARY

1.1 Overview

The Authority's current fees for regulated entities are laid out in the following legislation, which commenced on 1 April 2017 —

- (a) Collective Investment Schemes (Fees) Order 2017;
- (b) Financial Services (Fees) Order 2017;
- (c) Insurance (Fees) Regulations 2017; and
- (d) Registered Scheme Administrators (Fees) Order 2017.

The Authority consulted on the above legislation in late 2016 / early 2017.¹ It was noted as part of the consultation that the Authority was due to undertake a comprehensive review of its fee structure. As an interim measure, it was proposed that regulatory fees would be increased by the rate of inflation to help maintain the Authority's income at a constant level in real terms. The rate was based on CPI data provided by the Isle of Man Government's Cabinet Office and resulted in an increase of 1% for all regulatory fees with amounts being rounded up to the nearest £10.

The wider project to review the Authority's fee structure has now started and separate consultations in respect of those proposals will be issued in due course. As an interim measure, the Authority proposes to increase the majority of regulatory fees from April 2018 by the rate of inflation with a higher increase for authorised life insurers to reflect the enhanced supervisory framework due to be implemented in 2018 as part of the ICP Project. Please see section 3 of this paper for further information.

1.2 What is the purpose of this Consultation Paper?

This consultation invites interested parties to consider the Authority's proposed increases to regulatory fees for 2018 and provide feedback. Two specific questions are posed in this document, however respondents are welcome to comment on any other relevant aspects.

Drafts of the secondary legislation that will be required to bring the planned changes into effect are contained in Appendices B to F. The proposed changes to fees are shown in tracked changes for ease of reference.

1.3 Who may be affected by this Consultation Paper?

The consultation is relevant to all persons that are licensed, authorised or registered under the FSA08, IA08, RBSA00 or that have responsibility for collective investment schemes under

¹ Fees 2017 - Consultation Paper – <https://www.iomfsa.im/media/1844/fees2017consultationpaper.pdf>; Fees 2017 - Consultation Response – <https://www.iomfsa.im/media/1741/fees2017consultationresponse.pdf>

the CISA08. It is also relevant to advisers to those persons, or potential applicants for those permissions or their advisers.

2 CONSULTATION PROCESS

2.1 The Authority's regulatory objectives

The Authority's regulatory objectives are set out in section 2(2) of the FSA08 as —

- (a) securing an appropriate degree of protection for policyholders, members of retirement benefits schemes and the customers of persons carrying on a regulated activity;
- (b) the reduction of financial crime; and
- (c) the maintenance of confidence in the Island's financial services, insurance and pensions industries through effective regulation, thereby supporting the Island's economy and its development as an international financial centre.

The Authority's expenditure is covered by a combination of fees paid by regulated entities and a contribution from the Isle of Man Government. Fees paid by regulated entities therefore contribute towards the carrying out of the Authority's functions and maintenance and development of the Island's regulatory framework for financial services. Further information on the Authority's income and expenditure for the year ended 31 March 2017 can be found in Appendix E of the Authority's Annual Report for 2016-17².

The Authority is required to give consideration to certain factors when discharging its functions in accordance with paragraph 3 of Schedule 1 to the FSA08. As regulatory fees relate directly to the Authority's ability to discharge its functions, all of the factors are relevant to some degree, however the most relevant factors are considered as follows:

Factor	Information
The need for the regulatory, supervisory and registration regimes to be effective, responsive to commercial developments and proportionate to the benefits which are expected to result from the imposition of any regulatory burden.	The Authority needs to maintain sufficient income in order to be able to effectively carry out its statutory functions and achieve its regulatory objectives. The majority of the proposed fee increases are limited to inflationary costs over the last year and are not expected to significantly alter the regulatory burden. The higher increase for authorised life insurers is to reflect the additional resource that will be required following implementation of the enhanced

² https://www.iomfsa.im/media/2333/iomfsa_ar1617.pdf

Factor	Information
	supervisory framework in 2018 as part of the ICP Project.
The need to use resources in an efficient and economic way.	<p>The proposed increases in fees seek to: (1) help maintain the Authority's income at a constant level in real terms until completion of the wider fees review; and (2) reflect the additional resource that will be required to supervise authorised life insurers following implementation of the enhanced supervisory framework in 2018.</p> <p>A review programme of the Authority's key processes is currently underway to harmonise processes carried over from the Authority's predecessor organisations and help ensure that resources are used efficiently and economically.</p>
The desirability of facilitating the development of the financial services, insurance and pensions industries.	<p>The standards that international finance centres such as the Isle of Man are expected to meet are continually developing. The Island's regulatory framework needs to keep pace with these developments in order to remain competitive and help protect the Island's reputation. A significant amount of the Authority's resources is directed towards this effort, which underlines the importance of stable funding arrangements.</p>
The impact of its decision on the stability of the financial system of the Island.	<p>The Authority's expenses are covered by a combination of fees from regulated entities and a contribution from the Isle of Man Government. The Authority is not seeking to significantly alter the current fee structure at this time. The majority of increases proposed are limited to the rate of inflation for the last year, whereas the higher increase for authorised life insurers is to reflect the increased resources that will be required for the enhanced supervisory framework arising from the ICP Project.</p>

2.2 Responding to the Consultation Paper

Open dialogue with stakeholders is an essential element for successful development of the Authority's proposals and constructive feedback will help the Authority reach an informed decision on the content of the proposals and manner of implementation.

As responses to the consultation may be subject to publication or disclosure in accordance with access to information regimes, respondents should state if they wish their response to remain confidential and, if so, the reasons for this.

Submissions received by the closing date of the consultation will be considered but may not necessarily result in a change to the proposals following a review of all responses received.

Professional bodies, trade associations and other representative groups are asked to provide a summary of the people and organisations that they represent when responding to a consultation as well as the methodology used to gain members' input.

The Authority requests that submissions are not made anonymously as they will not be considered or included in the Consultation Response.

This Consultation Paper has been published on the Authority's website and the Isle of Man Government's Consultation Hub³. A list of specific representative groups to which this Consultation Paper has been sent is shown in Appendix A.

3 PROPOSALS

3.1 Overview

Regulatory fees were last reviewed in 2017 and increased by the rate of inflation. This was based on CPI data maintained by the Isle of Man Government's Cabinet Office for the year to September 2016. The increase for all regulatory fees was calculated at 1% with amounts being rounded up to the nearest £10. This included both annual fees and application fees.

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

Fees for authorised insurers and permit holders under the IA08 are charged in April each year. Fees for insurance managers are charged in July. 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 every year. These requirements are laid out in the Registered Schemes Administrators (Fees)

³ <https://consult.gov.im/>

Regulations 2015 rather than the Registered Schemes Administrators (Fees) Order 2017. However, as the Regulations do not specify the amount of fees to be paid they do not need to be changed and are therefore not considered further in this consultation.

The Authority is currently undertaking a comprehensive review of its fee structure and separate consultations in respect of those proposals will be issued in due course. As an interim measure, the Authority proposes to increase the majority of regulatory fees from April 2018 by the rate of inflation with a higher increase for authorised life insurers to reflect the additional resource that will be required for the enhanced supervisory framework due to be implemented in 2018 as part of the ICP Project. As with previous years, it is proposed that all fee amounts will be rounded up to the nearest £10.

The Authority does not propose to change the fees for businesses registered under the Designated Businesses (Registration and Oversight) Act 2015 at the current time, however these fees will be reviewed as part of the wider review of fees.

3.2 Changes to authorised life insurer fees

The Authority proposes a 15% increase for authorised life insurer fees to reflect the increased supervisory resource that will need to be focused on the life insurance sector as a result of implementation and delivery of the ICP Project in 2018-19.

The Authority recognises the importance of consistent standards of supervision to internationally active insurance groups, such as those of which many of the Island's life insurers are members. Implementation of the ICP Project is the culmination of the commitment to work towards development of a framework for the Island's insurance market that is appropriately ICP-consistent and capable of a positive equivalence assessment for its life insurance businesses against the European Union's Solvency II Directive (2009/138/EC).

Implementation of the project will result in a more detailed framework for the Authority to supervise including risk-based capital, enhanced ERM requirements, enhanced conduct of business requirements and group supervision. This will require a more intrusive and forward-looking approach than under the previous framework.

The increased supervisory effort will be assisted by ICP Project resource returning to the supervision teams. However, the Authority expects an increase in regulatory costs as it begins to supervise under the new regime. Drivers of this increase in costs include —

- The continuing need for the Authority to utilise appropriate technical resource, most obviously actuarial, as part of ongoing supervision. The Authority expects the breadth of actuarial / technical involvement to be greater under the new regime

(extending beyond valuations into Own Risk and Solvency Assessment ('ORSA'), risk-based capital etc.)

- Increased supervisory focus will lead to a greater utilisation of the Authority's resources, outside of the day-to-day supervision teams, than has been the case throughout the ICP Project – for example it is expected that a greater proportion of Board time, Chief Executive time and other cross-organisational resources such as the AML/CFT and policy teams will be required.
- The need for the Authority to continue to support the process to achieve equivalence with Solvency II, including demonstrating the effectiveness of the supervisory regime.

The capital and solvency framework for life insurers will be implemented in mid-2018 with other elements of the new framework being implemented in 2019. ICP Project resource is due to return to the supervision teams in advance of the implementation dates as the actual development of framework concludes.

The proposed increases are shown in both nominal and relative terms in Appendix B, with amounts having been rounded up to the nearest £10. The proposals would result in —

- a £640 increase to the application fee, from £4,230 to £4,870;
- **for LTBF net assets >£1bn**, a £8,160 increase to the annual fee, from £54,390 to £62,550; and
- **for LTBF net assets <£1bn**, a £4,080 increase to the annual fee, from £27,200 to £31,280.

Aside from the inflationary increases proposed in 3.3, the Authority does not plan to make any significant changes to non-life insurer fees for this cycle on the basis that the ICP-related changes for non-life insurers are not expected to take effect until a later stage.

3.3 Changes to other regulatory fees

The Authority proposes to apply an inflationary increase to all regulatory fees apart from authorised life insurers (see section 3.2) and designated businesses. The rate of inflation for the 2017 fees was calculated using CPI data maintained by the Isle of Man Government's Cabinet Office for the year to September 2016. For consistency, it is proposed to use the same reference period to calculate the rate of inflation to be applied to the 2018 fees. The CPI figure for the year to September 2017 is calculated at 4.2%. The proposed increases are shown in both nominal and relative terms in Appendix B, with amounts having been rounded up to the nearest £10.

3.4 Draft secondary legislation

Drafts of the secondary legislation needed to bring the proposals into effect have been prepared and are included in the following Appendices for consideration —

- (a) Appendix C – Collective Investment Schemes (Fees) Order 2018;
- (b) Appendix D – Financial Services (Fees) Order 2018;
- (c) Appendix E – Insurance (Fees) Regulations 2018; and
- (d) Appendix F – Registered Scheme Administrators (Fees) Order 2017.

The proposed fee changes are shown in tracked changes to enable comparison with the fee amounts in the current legislation.

4 IMPACT ASSESSMENT

The majority of the proposed changes to regulatory fees from April 2018 are based on CPI data over the past year and are intended to help maintain the Authority's income at a constant level until the wider review of fees has been completed. These changes are not expected to have a significant impact on regulated entities.

The higher increase proposed for authorised life insurers is to help cover the additional resource that will be required following implementation of the enhanced supervisory framework in 2018 as part of the ICP Project. These changes will therefore have a greater impact on authorised life insurers than other regulated entities, however it is considered that the increases are commensurate with the implementation and delivery of the ICP Project and the benefits that will be derived from it.

The Authority is aware of the cost of regulation to regulated entities and seeks to satisfy its regulatory objectives with the least impact. The Authority is currently undertaking a programme for review of its key processes to help ensure that resources continue to be used in an efficient and economic way.

5 QUESTIONS

Question 1

Do you have any comments on the proposed increases for regulatory fees? If so, please provide any relevant explanation or supporting information.

Question 2

Are there any other comments in relation to regulatory fees that you would like to make? If so, please provide any relevant explanation or supporting information.

6 NEXT STEPS

Following closure of the consultation period, the Authority will review the responses received and publish a Consultation Response document on the Authority's website and the Isle of Man Government's Consultation Hub⁴.

Subject to any changes to the proposals that may be made as a result of responses received, it is intended that the draft legislation will be finalised for laying before Tynwald for approval at the March 2018 sitting for commencement in April 2018.

⁴ <https://consult.gov.im/>

APPENDIX A – LIST OF REPRESENTATIVE GROUPS TO WHICH THIS CONSULTATION PAPER HAS BEEN SENT

- Alliance of Isle of Man Compliance Professionals
- Association of Chartered Certified Accountants
- Association of Corporate Service Providers
- Association of Pension Scheme Providers
- Chamber of Commerce
- Chartered Institute for Securities and Investment
- Financial Planning & Insurance Brokers Association
- Institute of Chartered Secretaries and Administrators
- Institute of Directors
- Isle of Man Wealth & Fund Services Association
- Isle of Man Bankers Association
- Isle of Man Captives Association
- Isle of Man Insurance Institute
- Isle of Man Law Society
- Isle of Man Society of Chartered Accountants
- Isle of Man Trade Union Council
- London Institute of Banking & Finance
- Manx Insurance Association
- Society of Trust and Estate Practitioners.

APPENDIX B – TABLES OF FEE CHANGES IN NOMINAL AND RELATIVE TERMS

1. Collective Investment Schemes Act 2008

APPLICATION FEES (CISA08)		2017 fee	2018 proposal	Incremental increase	Increase %
Authorised schemes					
Authorised scheme – single tier	Per fund	£2,130	£2,220	£90	4.23%
Authorised scheme – umbrella	Per fund	£1,970	£2,060	£90	4.57%
Authorised scheme – umbrella	Per sub-fund	£810	£850	£40	4.94%
Recognised schemes					
Recognised scheme – p.1, Sch.4		Nil	Nil	Nil	Nil
Recognised scheme – Single tier under p.2, Sch.4	Per fund	£3,640	£3,800	£160	4.40%
Recognised scheme – Umbrella under p.2, Sch.4	Per fund	£2,880	£3,010	£130	4.51%
Recognised scheme – Umbrella under p.2, Sch.4	Per sub-fund (1-10)	£660	£690	£30	4.55%
Recognised scheme – Umbrella under p.2, Sch.4	Per sub-fund (11 and above)	£460	£480	£20	4.35%
International schemes					
International scheme – full international		£1,270	£1,330	£60	4.72%
International scheme – other classes of international		Nil	Nil	Nil	Nil

ANNUAL FEES (CISA08)		2017 fee	2018 proposal	Incremental increase	Increase %
Authorised schemes					
Authorised scheme – single tier	Per fund	£1,470	£1,540	£70	4.76%
Authorised scheme – umbrella	Per fund	Nil	Nil	Nil	Nil
Authorised scheme – umbrella	Per sub-fund	£810	£850	£40	4.94%
Recognised schemes					
Recognised scheme – p.1, Sch.4		£1,770	£1,850	£80	4.52%
Recognised scheme – Single tier under p.2, Sch.4	Per fund	£1,970	£2,060	£90	4.57%
Recognised scheme – Umbrella under p.2, Sch.4	Per fund	Nil	Nil	Nil	Nil
Recognised scheme – Umbrella under p.2, Sch.4	Per sub-fund (1-10)	£660	£690	£30	4.55%
Recognised scheme – Umbrella under p.2, Sch.4	Per sub-fund (11 and above)	£460	£480	£20	4.35%

ANNUAL FEES (CISA08)		2017 fee	2018 proposal	Incremental increase	Increase %
International schemes					
International scheme – full international		£1,620	£1,690	£70	4.32%
International scheme – other classes of international		£760	£800	£40	5.26%

2. Financial Services Act 2008

APPLICATION FEES (FSA08)		2017 fee	2018 proposal	Incremental increase	Increase %
Class 1 – Deposit Taking					
Class 1 (1) or (2) (deposit taker)		£9,950	£10,370	£420	4.22%
Class 1(3) (representative office)		£3,030	£3,160	£130	4.29%
Class 2 – Investment Business					
Class 2 (1) to (7) (stockbroker)		£2,330	£2,430	£100	4.29%
Class 2 (2) and (5) (custodian)		£2,330	£2,430	£100	4.29%
Class 2(3) only		£1,970	£2,060	£90	4.57%
Class 2 (3) and (7) (financial adviser)		£1,970	£2,060	£90	4.57%
Class 2 (3) and (5)		£1,970	£2,060	£90	4.57%
Class 2 (3) and (6) (investment adviser to retirement benefits scheme) and may include (7) (financial adviser)		£1,970	£2,060	£90	4.57%
Class 2 (3) to (7) (discretionary portfolio manager)		£1,970	£2,060	£90	4.57%
Class 2 (3), (4), (5) and (7)		£1,970	£2,060	£90	4.57%
Class 2 in any other case		£1,970	£2,060	£90	4.57%
Class 3 – Services to Collective Investment Schemes					
Class 3 (1) or (2) (manager or administrator)		£1,970	£2,060	£90	4.57%
Class 3 (3), (4) and/or (5) (trustee, fiduciary custodian or custodian)		£1,970	£2,060	£90	4.57%
Class 3 (6) (asset manager)		£1,970	£2,060	£90	4.57%
Class 3 (7) (investment adviser)		£1,970	£2,060	£90	4.57%
Class 3 (8) (promoter)		£1,970	£2,060	£90	4.57%
Class 3 (9) (management and/or administration services)		£1,970	£2,060	£90	4.57%
Class 3 (10) (administration services to overseas manager and/or administrator)		£1,970	£2,060	£90	4.57%

APPLICATION FEES (FSA08)		2017 fee	2018 proposal	Incremental increase	Increase %
Class 3 (11) and/or (12) (manager etc. of exempt or exempt-type scheme)		£510	£540	£30	5.88%
Class 3 (13)		Nil	Nil	Nil	Nil
Class 4 – Corporate Services and Class 5 – Trust Services					
Class 4 and/or Class 5		£2,080	£2,170	£90	4.33%
Class 5 (4) (trust corporation) together with any Class 4 or 5		£2,430	£2,540	£110	4.53%
Class 4(6) (professional officer)		£1,620	£1,690	£70	4.32%
Class 5 (2) and/or (5) and/or (6) (professional officer)		£1,620	£1,690	£70	4.32%
Class 6 – Crowdfunding Platforms					
Class 6 (crowdfunding platforms)		£1,970	£2,060	£90	4.57%
Class 7 – Management or Administration Services					
Class 7 (management or administration services)		£510	£540	£30	5.88%
Class 8 – Money Transmission Services					
Class 8 (1), (2)(b) and/or (3) (bureau de change, payment services as agent and cheque cashing services)		£1,010	£1,060	£50	4.95%
Class 8 (2)(a) and/or (4) (payment services as principal and e-money issuance)		£2,230	£2,330	£100	4.48%
Miscellaneous application fees					
Licence extension (within the same Class)		£510	£540	£30	5.88%
Incidental Class 4 permissions for Class 3 licenceholders		Nil	Nil	Nil	Nil
Management or administration of overseas schemes		Nil	Nil	Nil	Nil

ANNUAL FEES (FSA08)		2017 fee	2018 proposal	Incremental increase	Increase %
Class 1 – Deposit Taking					
Class 1 (1) or (2) (deposit taker)	<£1bn deposits	£19,190	£20,000	£810	4.22%
Class 1 (1) or (2) (deposit taker)	£1bn-£5bn deposits	£22,730	£23,690	£960	4.22%
Class 1 (1) or (2) (deposit taker)	>£5bn deposits	£25,250	£26,320	£1,070	4.24%
Class 1(3) (representative office)		£2,530	£2,640	£110	4.35%

ANNUAL FEES (FSA08)		2017 fee	2018 proposal	Incremental increase	Increase %
Class 2 – Investment Business					
Class 2 (1) to (7) (stockbroker)		£20,000	£20,840	£840	4.20%
Class 2 (2) and (5) (custodian)		£7,530	£7,850	£320	4.25%
Class 2(3) only		£2,020	£2,110	£90	4.46%
Class 2 (3) and (7) (financial adviser)	≤2 advisers	£1,570	£1,640	£70	4.46%
Class 2 (3) and (7) (financial adviser)	≥3 advisers	£2,020	£2,110	£90	4.46%
Class 2 (3) and (5)		£5,710	£5,950	£240	4.20%
Class 2 (3) and (6) (investment adviser to retirement benefits scheme) and may include (7) (financial adviser)		£5,710	£5,950	£240	4.20%
Class 2 (3) to (7) (discretionary portfolio manager)		£5,710	£5,950	£240	4.20%
Class 2 (3), (4), (5) and (7)		£5,710	£5,950	£240	4.20%
Class 2 in any other case		£7,530	£7,850	£320	4.25%
Class 3 – Services to Collective Investment Schemes					
Class 3 (1) or (2) (manager or administrator)		£11,520	£12,010	£490	4.25%
Class 3 (1) or (2) (manager or administrator)		£7,530	£7,850	£320	4.25%
Class 3 (3), (4) and/or (5) (trustee, fiduciary custodian or custodian)	Except for authorised or full international	£11,520	£12,010	£490	4.25%
Class 3 (3), (4) and/or (5) (trustee, fiduciary custodian or custodian)	For authorised or full international	£28,340	£29,540	£1,200	4.23%
Class 3 (6) (asset manager)		£7,530	£7,850	£320	4.25%
Class 3 (7) (investment adviser)		£5,710	£5,950	£240	4.20%
Class 3 (8) (promoter)		£1,820	£1,900	£80	4.40%
Class 3 (9) (management and/or administration services)		£12,070	£12,580	£510	4.23%
Class 3 (10) (administration services to overseas manager and/or administrator)		£5,710	£5,950	£240	4.20%
Class 3 (11) and/or (12) (manager etc. of exempt or exempt-type scheme)		£510	£540	£30	5.88%
Class 3 (13)		Nil	Nil	Nil	Nil

ANNUAL FEES (FSA08)		2017 fee	2018 proposal	Incremental increase	Increase %
Class 4 – Corporate Services and Class 5 – Trust Services					
Class 4 and/or Class 5	0-100 entities	£1,120	£1,170	£50	4.46%
Class 4 and/or Class 5	101-250 entities	£2,430	£2,540	£110	4.53%
Class 4 and/or Class 5	251-500 entities	£4,650	£4,850	£200	4.30%
Class 4 and/or Class 5	501-1,000 entities	£9,200	£9,590	£390	4.24%
Class 4 and/or Class 5	1,001-2,500 entities	£13,690	£14,270	£580	4.24%
Class 4 and/or Class 5	2,501-5,000 entities	£18,180	£18,950	£770	4.24%
Class 4 and/or Class 5	5,000-7,500 entities	£27,220	£28,370	£1,150	4.22%
Class 4 and/or Class 5	>7,500 entities	£36,210	£37,740	£1,530	4.23%
Class 5 (4) (trust corporation) together with any Class 4 or 5	0-100 entities	£9,200	£9,590	£390	4.24%
Class 5 (4) (trust corporation) together with any Class 4 or 5	101-250 entities	£9,200	£9,590	£390	4.24%
Class 5 (4) (trust corporation) together with any Class 4 or 5	251-500 entities	£9,200	£9,590	£390	4.24%
Class 5 (4) (trust corporation) together with any Class 4 or 5	501-1,000 entities	£9,200	£9,590	£390	4.24%
Class 5 (4) (trust corporation) together with any Class 4 or 5	1,001-2,500 entities	£13,690	£14,270	£580	4.24%
Class 5 (4) (trust corporation) together with any Class 4 or 5	2,501-5,000 entities	£18,180	£18,950	£770	4.24%
Class 5 (4) (trust corporation) together with any Class 4 or 5	5,000-7,500 entities	£27,220	£28,370	£1,150	4.22%
Class 5 (4) (trust corporation) together with any Class 4 or 5	>7,500 entities	£36,210	£37,740	£1,530	4.23%
Class 4(6) (professional officer)	1-15 d'ships	£660	£690	£30	4.55%
Class 4(6) (professional officer)	16-25 d'ships	£860	£900	£40	4.65%
Class 4(6) (professional officer)	≥26 d'ships	£1,010	£1,060	£50	4.95%
Class 4(6) (professional officer)	Per d'ship >26	£30	£40	£10	33.33%
Class 5 (2) and/or (5) and/or (6) (professional officer)	1-5 app'ments	£660	£690	£30	4.55%
Class 5 (2) and/or (5) and/or (6) (professional officer)	6-10 app'ments	£860	£900	£40	4.65%

ANNUAL FEES (FSA08)		2017 fee	2018 proposal	Incremental increase	Increase %
Class 5 (2) and/or (5) and/or (6) (professional officer)	≥11 app'ments	£1,010	£1,060	£50	4.95%
Class 5 (2) and/or (5) and/or (6) (professional officer)	Per app'ment >11	£60	£70	£10	16.67%
Class 6 – Crowdfunding Platforms					
Class 6 (crowdfunding platforms)		£7,530	£7,850	£320	4.25%
Class 7 – Management or Administration Services					
Class 7 (management or administration services)		Nil	Nil	Nil	Nil
Class 8 – Money Transmission Services					
Class 8 (1), (2)(b) and/or (3) (bureau de change, payment services as agent and cheque cashing services)		£1,010	£1,060	£50	4.95%
Class 8 (2)(a) and/or (4) (payment services as principal and e-money issuance)	≤£1m turnover	£1,010	£1,060	£50	4.95%
Class 8 (2)(a) and/or (4) (payment services as principal and e-money issuance)	>£1m to ≤£5m turnover	£6,120	£6,380	£260	4.25%
Class 8 (2)(a) and/or (4) (payment services as principal and e-money issuance)	>£5m to ≤£50m turnover	£8,340	£8,700	£360	4.32%
Class 8 (2)(a) and/or (4) (payment services as principal and e-money issuance)	>£50m to ≤£100m turnover	£10,560	£11,010	£450	4.26%
Class 8 (2)(a) and/or (4) (payment services as principal and e-money issuance)	>£100m turnover	£12,230	£12,750	£520	4.25%
Miscellaneous annual fees					
Incidental Class 4 permissions for Class 3 licenceholders		£510	£540	£30	5.88%
Licenceholder in insolvent liquidation		£260	£280	£20	7.69%
Management or administration of overseas schemes	Per overseas scheme	£510	£540	£30	5.88%

3. Insurance Act 2008

APPLICATION FEES (IA08)		2017 fee	2018 proposal	Incremental increase	Increase %
Authorised insurers					
Authorised life		£4,230	£4,870	£640	15.13%
Authorised non-life		£2,410	£2,520	£110	4.56%
PCCs and ICCs					
PCC/ICC – core		£2,410	£2,520	£110	4.56%
PCC/ICC – cell		£1,210	£1,270	£60	4.96%
Permit Holders					
Permit holder – EU		£1,210	£1,270	£60	4.96%
Permit holder – non EU		£2,410	£2,520	£110	4.56%
Permit holder – non EU PCC		£2,410	£2,520	£110	4.56%
Insurance Managers					
Insurance manager		£2,410	£2,520	£110	4.56%
Insurance Intermediaries					
Insurance intermediary		£2,260	£2,360	£100	4.42%

ANNUAL FEES (IA08)		2017 fee	2018 proposal	Incremental increase	Increase %
Authorised life insurers					
Authorised Insurer Life including PCC or ICC core / cell	LTBF Net Assets >£1bn	£54,390	£62,550	£8,160	15.00%
Authorised Insurer Life including PCC or ICC core / cell	LTBF Net Assets <£1bn	£27,200	£31,280	£4,080	15.00%
Authorised non-life insurers					
Authorised Insurer Non Life including a PCC or ICC core		£5,170	£5,390	£220	4.26%
Authorised Insurer Non Life – cell of a PCC or ICC	Note 1	£610 to £5,170	£640 £5,390	£30 £220	4.92% 4.26%
Authorised Insurer Non Life – cell of a PCC	Maximum aggregate	£30,360	£31,640	£1,280	4.22%
Authorised Insurer Non Life – dormant PCC cell		£130	£140	£10	7.69%
Permit Holders					
Non EU Permit holder including PCC core or life cell		£5,170	£5,390	£220	4.26%
Non EU Permit holder non life cell	Note 1	£610 to £5,170	£640 £5,390	£30 £220	4.92% 4.26%
Non EU Permit holder non life cell	Maximum aggregate	£30,360	£31,640	£1,280	4.22%
EU Permit holder		£1,850	£1,930	£80	4.32%

ANNUAL FEES (IA08)		2017 fee	2018 proposal	Incremental increase	Increase %
Permit holder – dormant PCC Cell		£130	£140	£10	7.69%
Insurance Managers					
Insurance manager	One insurer	£2,260	£2,360	£100	4.42%
Insurance manager	<5 insurers	£2,830	£2,950	£120	4.24%
Insurance manager	≥5 insurers	£4,810	£5,020	£210	4.37%
Insurance Intermediaries					
Insurance intermediary		£2,260	£2,360	£100	4.42%

Note 1: The fee for a non-life cell is calculated based on the level of premiums written by the cell.

4. Retirement Benefits Schemes Act 2000

APPLICATION FEES (RBSA00)		2017 fee	2018 proposal	Incremental increase	Increase %
Professional administrators					
RBS Administrator – in-house		£110	£120	£10	9.09%
Professional administrators					
RBS Administrator – professional		£2,410	£2,520	£110	4.56%

ANNUAL FEES (RBSA00)		2017 fee	2018 proposal	Incremental increase	Increase %
In-house administrators					
RBS Administrator – in-house		£310	£330	£20	6.45%
RBS Administrator – in-house	Large personal schemes	£4,350	£4,540	£190	4.37%
Professional administrators					
RBS Administrator - professional		£4,350	£4,540	£190	4.37%

APPENDICES C-F – DRAFT SECONDARY LEGISLATION

Drafts of the following legislation has been prepared showing the current 2017 fees and the proposed 2018 fees in tracked changes —

- C. Draft Collective Investment Schemes (Fees) Order 2018;
- D. Draft Financial Services (Fees) Order 2018;
- E. Draft Insurance (Fees) Regulations 2018; and
- F. Draft Retirement Benefits Schemes (Fees) Order 2018.

These documents can be accessed by clicking on the relevant hyperlinks or through the Consultation Webpage on the Isle of Man Government Consultation Hub.