

Chairman
Malta Financial Services Authority

INSURANCE INTERMEDIARIES ACT
(CAP 487)

INSURANCE INTERMEDIARIES (FEES) REGULATIONS, 2013

1. (1) The title of these regulations is the Insurance Intermediaries (Fees) Regulations, 2013. Citation, commencement and scope.
- (2) These regulations shall come into force on the 1st January 2014, and shall apply to fees falling due on or after the said date.
- (3) Nothing in these regulations shall be deemed to affect the liability in respect of any fees due under the Insurance Intermediaries (Fees) Regulations 2006 prior to the coming into force of these regulations. L.N. 256 of 2006.
2. In these regulations, unless the context otherwise requires – Interpretation
- "the Act" means the Insurance Intermediaries Act;
- "the Authority" means the Malta Financial Services Authority established by the Malta Financial Services Authority Act Cap. 330.
- "branch", in the case of a company enrolled in the Agents List, Managers List or Brokers List, includes any premises of the company in Malta, other than the company's principal place of business, from where the company carries out insurance intermediaries activities;
- "business premises", in relation to tied insurance intermediaries activities, means any premises from where a person enrolled in the Tied Insurance Intermediaries List carries out tied insurance intermediaries activities other than its principal place of business;
- "cell" and "cell company" shall have the same meaning as is assigned to them in the Companies Act (Cell Companies Carrying on Business of Insurance) Regulations; S.L. 386.10
- "European insurance intermediary" shall have the same meaning as is assigned to it in the European Passport Rights for Insurance Intermediaries Regulations; S.L. 403.18
- "gross commissions receivable" means -
- (a) in the case of a person resident in Malta or having its registered office or head office in Malta enrolled in the Agents List or Brokers List, the gross amount of commissions receivable in respect of its aggregate insurance intermediaries activities;
- (b) in the case of a company, which is a foreign company, enrolled in the Agents List or Brokers List, the gross amount of commissions receivable in respect of its aggregate insurance intermediaries

activities carried on in or from Malta,

in each case, required to be included in the statements required to be forwarded under article 25 of the Act in relation to the calendar year to which the statements relate;

"the Schedule" means the Schedule to these regulations;

"the Tribunal" means the Financial Services Tribunal referred to in article 21 of the Malta Financial Services Authority Act;

Cap 330

and words and expressions used in these regulations which are also used in the Act but which are not defined herein shall have the same meaning as in the Act.

Payment of registration, enrolment and permit fees.

3. (1) Subject to subregulations (2) and (3), any person applying for registration in the Agents Register, Managers Register or Brokers Register, or enrolment in the Agents List, Managers List or Brokers List or the Tied Insurance Intermediaries List, or restoration of a name to the Agents Register, Managers Register or Brokers Register or Agents List, Managers List, the Brokers List or Tied Insurance Intermediaries List, or registration of an underwriting agreement, or a permit of a kind, in each case, specified in the first column of Part I of the Schedule, shall upon submission of the application, irrespective of whether the application is eventually accepted or not, pay to the Authority the fee relating to the kind of registration, or enrolment, or restoration or permit to which the application relates as specified in the Second Column of Part I of the Schedule.

(2) Where at the time of submitting an application a person is enrolled in the Agents List or Managers List and is applying in relation to an appointment, the applicant shall pay to the Authority upon submission of the application, irrespective of whether the application is eventually accepted or not, the fee relating to the kind of appointment to which the application relates as specified in the Second Column of Part I of the Schedule.

(3) Where a restoration of a name to the Agents Register, Managers Register or Brokers Register or Agents List, Managers List, Brokers List or the Tied Insurance Intermediaries List is made by order of the Tribunal, the fee payable in respect of that restoration shall not apply.

4. Any person who, on the 31st December of each year, holds a permit of a kind specified in Part II of the Schedule, or whose name, on that date, appears in the Agents Register, Managers Register or Brokers Register or the Managers List or the Tied Insurance Intermediaries List, shall, during the month of January of the following year, pay to the Authority the fee relating to the annual supervisory fee for the kind of permit held by the person, or the registration or enrolment of the person, specified in Part II of the Schedule:

Payment of annual supervisory fee for registration, enrolment and permit.

Provided that, the first annual supervisory fee shall be due immediately once a permit, registration or enrolment, as the case may be, is granted. The first annual supervisory fee payable shall be equal to a proportion of the fee established in the Second Column of Part II of the Schedule. The fee payable shall be proportionate to the period remaining between the date of the granting of the permit, registration or enrolment, as the case may be, and the end of that calendar year.

Payment of submission of business of insurance intermediaries statements fees

5. When business of insurance intermediaries statements are forwarded under article 25 of the Act, an enrolled person shall pay to the Authority the fee specified in the Second Column of Part III of the Schedule, according to

the amount of its gross commissions receivable for the latest calendar year reported:

Provided that, the first annual supervisory fee shall be due immediately once an enrolment is granted and shall be equal to a proportion of the minimum fee established in the Second Column of Part III of the Schedule. The first annual supervisory fee payable shall be proportionate to the period remaining between the date of granting of the enrolment and the date established for the submission of the business of insurance intermediaries statements.

Fees payable by cell companies.

6. (1) Where an application is submitted by a company to carry out insurance intermediaries activities, which will, when formed or constituted, be enrolled or, when converted, is a company enrolled in the Managers List or Brokers List in terms of article 13 of the Act, or where an application is submitted for the creation of a new cell pursuant to the Companies Act (Cell Companies Carrying on Business of Insurance) Regulations, the applicant shall upon submission of the application, irrespective of whether the application is eventually accepted or not, pay to the Authority the fee relating to the kind of enrolment, to which the application relates specified in the Second Column of Part I of the Schedule .

S.L. 386.10

(2) In the case of a person enrolled in the Brokers List, when the business of insurance intermediaries statements are forwarded by the cell company under article 25 of the Act, there shall be paid by the said cell company to the Authority the fee specified in the Second Column of Part III of the Schedule according to the amount of the gross commissions receivable by the cell company, including commissions receivable by the cells.

(3) In the case of a person enrolled in the Managers List, during the month of January of the following year, the insurance manager shall pay to the Authority the fee relating to the annual supervisory fee for the kind of enrolment of the person, specified in Part II of the Schedule:

Provided that, the first annual supervisory fee shall be due immediately once an enrolment is granted and shall be equal to a proportion of the fee established in the Second Column of Part II of the Schedule. The first annual supervisory fee payable shall be proportionate to the period remaining between the date of enrolment and the end of that calendar year.

Fees payable by European insurance intermediaries.
S.L. 403.18

7. There shall be paid to the Authority by any European insurance intermediary establishing a branch in Malta under regulation 3 of the European Passport Rights for Insurance Intermediaries Regulations an annual supervisory fee as specified in Part II of the Schedule:

Provided that the first annual supervisory fee shall be due immediately once a branch is established and shall be equal to a proportion of the fee established in the Second Column of Part II of the Schedule. The fee payable shall be proportionate to the period remaining between the date of the establishment of the branch and the end of that calendar year. Thereafter, the annual supervisory fee shall be paid during the month of January of each year.

8. None of the fees established as due in terms of these regulations shall be refundable. Nor shall they be prorated, other than the first annual supervisory fee as established in regulations 4, 5, 6 and 7.

Non refundable fees

9. The Insurance Intermediaries (Fees) Regulations 2006 are hereby revoked, without prejudice to anything done or omitted to be done prior to the coming into force of these regulations.

Revocation of LN
487.03

DRAFT for CONSULTATION

SCHEDULE
(Regulations 3, 4, 5, 6 and 7)
Registration, Enrolment, Permit and Annual Supervisory Fees

Part I
Registration, Enrolment and Permit Application Fees

First Column	Second Column €
1. Registration of a person in the Agents Register, Managers Register or Brokers Register	175
2. Enrolment of a person in the Agents List, or Brokers List	1,300
3. Enrolment in the Agents List in additional long term or general business classes for the same insurer	650
4. Enrolment of a person in the Managers List	1,200
5. Enrolment of a person in the Tied Insurance Intermediaries List	
(a) in the case of a person who is an individual, if the enrolment is to carry out tied insurance intermediaries activities –	
(i) in the class or classes of long term business or the class or classes, or group or groups of classes of general business	300
(ii) in the class or classes of long term business and the class or classes, or group or groups of classes of general business	400
(iii) in additional class or classes of long term business	100
(iv) in additional class or classes, or group or groups of classes of general business	100
(v) in class or classes of long term business in addition to class or classes, or group or groups of classes of general business in respect of which the individual is already enrolled	100
(vi) in class or classes, or group or groups of classes of general business in addition to class or classes of long term business in respect of which individual is already enrolled	100
(b) in the case of a person who is not an individual, if the enrolment is to carry out tied insurance intermediaries activities –	
(i) in the class or classes of long term business or the classes or classes, or group or groups of classes of general business	300 and 300 in respect of every business premises
(ii) in the class or classes of long term business and the class or classes, or group or groups of classes of general business	450 and 300 in respect of every business premises
(iii) in additional class or classes of long term business	150
(iv) in additional class or classes, or group or groups of classes of general business	150
(v) in class or classes of long term business in addition to class or classes, or group or groups of classes of general business	150
(vi) in class or classes, or group or groups of classes of general business in addition to class or classes of long term business	150
6. Restoration of a name -	
(a) in the Agents Register, Managers Brokers Register	175
	1,200

(b) in the Agents List, Managers List Brokers List	300
(c) in the Tied Insurance Intermediaries List	
7. Permit -	300 per branch
(a) to open a branch	
(b) to cease to carry out insurance intermediaries activities, other than tied insurance intermediaries activities	1,500
(c) to carry out any insurance intermediary activity prescribed by any regulation made under the Act unless the fees payable in respect of that activity are not otherwise prescribed by that regulation	250
8. Registration of an underwriting agreement	300
10. Appointment of a person enrolled in the Agents List	800
11. Appointment of a person enrolled in the Managers List	650
12. Cell company – enrolment in the Managers List or Brokers List	2,000
13. Creation of a new cell within a cell company enrolled in the Managers List or Brokers List	1,500

Part II
Annual Supervisory fees of registration, enrolment and permit

First Column	Second Column €
14. Annual supervisory fee of -	
(a) registration of a person in the Agents Register, Managers Register or Brokers Register	200
(b) enrolment of a person in the Managers List (other than a cell company)	750 and 450 per appointment
(c) enrolment of a cell company in the Managers List	1,700
(d) in respect of each cell created	1,100
(e) enrolment of a person in the Tied Insurance Intermediaries List:	
(i) in the case of a tied insurance intermediary who is an individual if the enrolment is to carry out tied insurance intermediaries activities -	
(aa) in the class or classes of long term business or the class or classes, or group or groups of classes of general business	300
(bb) in the class or classes of long term business and the class or classes, or group or groups of classes of general business	400
(ii) in the case of a tied insurance intermediary who is not an individual if the enrolment is to carry out tied insurance intermediaries activities -	
(aa) in the class or classes of long term business or the class or classes, or group or groups of classes of general business	300 and 300 in respect of every business premises
(bb) in the class or classes of long term business and the class or classes, or group or groups of classes of general business	450 and 300 in respect of every business premises
(f) permit:	
i. to maintain a branch	300 per branch
ii. to run-off insurance intermediaries activities, other	1,500

iii. than tied insurance intermediaries activities to carry out any insurance intermediary activity prescribed by any regulation made under the Act unless the fees payable in respect of that activity are not otherwise prescribed by that regulation	250
(g) registration of underwriting agreements	200
(h) Branch in Malta by any European insurance intermediary	300 per branch

Part III

Annual supervisory fees for persons required to submit insurance intermediaries statements

First Column	Second Column
Gross commissions receivable €	Fee €
Up to and including €250,000	2,000 (minimum fee)
Over €250,000 up to and including €750,000	3,000
Over €750,000 up to and including €1 million	4,000
Over €1 million	7,000