

Subsidiary Legislation made under s. 118.

**INSURANCE COMPANIES (LICENCE FEES)
REGULATIONS 2011**

Repealed by LN. 2016/071 as from 1.4.2016

(LN. 2010/069)

Commencement **1.4.2011**

Amending enactments	Relevant current provisions	Commencement date
LN. 2012/048	Sch.	1.4.2012
2014/063	Sch.	2.5.2014
2015/057	Sch.	1.4.2015
2015/210	rr. 1A, 3A, Sch. 1 & 2	19.11.2015

In exercise of the powers conferred on him by section 118 of the Financial Services (Insurance Companies) Act 1987, and all other enabling powers, the Minister has made the following Regulations—

Title and commencement.

1. These Regulations may be cited as the Insurance Companies (Licence Fees) Regulations 2011 and come into operation on 1 April 2011.

Interpretation.

1A.(1) In these Regulations—

“Solvency II Act” means the Financial Services (Insurance Companies) (Solvency II Directive) Act 2015.

(2) Other expressions used in these Regulations have the same meaning as in the Financial Services (Insurance Companies) Act and the Solvency II Act.

Fees payable on issue of the licence.

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2. The fee payable on issue of the licence in accordance with section 26 of the Financial Services (Insurance Companies) Act 1987 shall be as set out in the Schedule, and such fee shall be payable to the Financial Services Commission.

Annual fee.

3. For each period of twelve months after the first period of twelve months during which a licence issued under section 26 of the Financial Services (Insurance Companies) Act 1987 remains in force in accordance with section 34 of the Act, a fee as set out in the Schedule shall be payable to the Financial Services Commission at the commencement of each such period of twelve months.

Applications for Approvals under the Solvency II Act.

3A.(1) The fees payable in respect of applications for the approvals listed in Schedule 2 shall be as set out in that Schedule.

(2) Payment of the fee in respect of any application for approval listed in Schedule 2 shall accompany the application and be payable to the Financial Services Commission.

(3) The Financial Services Commission may—

- (a) waive payment of, or reduce, any fee or part of a fee otherwise payable under this Regulation; or
- (b) refund the whole or part of any fee paid under this regulation.

Revocation.

4. The Insurance Companies (Licence Fees) Regulations 2010 are revoked.

SCHEDULE 1

Regulations 2 and 3

1. The following fees are payable under regulations 2 and 3:

Part A – Annual Fee Payable (General)

Annual fees
£

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General business (insurers and reinsurers) – gross written premiums < £10m (4,5)	26,500
General business (insurers and reinsurers) – gross written premiums £10m < £25m (4,5)	30,000
General business (insurers and reinsurers) – gross written premiums £25m < £100m (4,5)	32,000
General business (insurers and reinsurers) – gross written premiums £100m < £250m	34,000
General business (insurers and reinsurers) – gross written premiums £250m	36,000
General business (captive insurers and reinsurers)	5,952
Long term business (insurers and reinsurers including protected cell companies)	37,318
Long term business (captive insurers and reinsurers)	14,802
Protected cell companies (general insurance and reinsurance business only)	5,952 plus 2,227 per cell
EEA insurer as defined in the Act	7,025 plus recognition fee of 1,100

2. In paragraph 1, captive insurers are insurance or reinsurance companies wholly owned by a parent company which only covers risks of the group with no third party risks.
3. In paragraph 1, protected cell companies are insurance or reinsurance companies which operate separate cells for distinct insurance or reinsurance business whether or not consented to by the Commission under section 11 of the Protected Cell Companies Act.
4. Fees payable on issue of the licence will be based on the projected gross written premiums for the first period of business annualised.
5. Annual fees payable thereafter based on gross written premiums in the financial year immediately preceding the due date for payment of the

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fees. Insurers who have not yet had a financial year end will have fees based on their original projected gross written premiums annualised.

Part B –Annual Fee Payable (Internal Capital Model)

	Annual fee £
Monitoring of an approved full or partial internal capital model. The internal model may be a full or partial internal model, or a group internal model.	5,000

SCHEDULE 2

Regulation 3A

1. The following fees are payable under regulation 3A.

Approval	Basis of Calculation	Application fee/fee range
Approval of an internal capital model	To be assessed on a case by case basis depending on the nature, scale and complexity of the undertaking and complexity of the internal capital model submitted. The internal capital model may be a full or partial internal model, or a group internal model.	£25,000 to £75,000.
Approval of an Undertaking Specific Parameter	Fee per line of business (as defined in paragraph 33(7) of Schedule 1 to the Solvency II Act) for which an application is being made to use an Undertaking Specific Parameter.	£9,000 for each line of business.
Any other approval envisaged under the Solvency II Act	To be assessed on a case by case basis depending on the nature and level of effort required by the FSC to assess	£1,000-£9,000.

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the application.