

SUBSIDIARY LEGISLATION 403.04**INSURANCE BUSINESS (FEES) REGULATIONS**

3rd August, 1999

LEGAL NOTICE 139 of 1999, as amended by Legal Notices 215 of 2003, 8 of 2005, 255 of 2006, 426 of 2007 and 358 of 2008.

1. The title of these regulations is the Insurance Business (Fees) Regulations. Citation.

2. (1) In these regulations, unless the context otherwise requires - Interpretation.

"the Act" means the Insurance Business Act;

"authorisation" means an authorisation issued or held, or to be issued or held, under the Act to carry on business of insurance or to act as an approved auditor;

"Authority" means the competent authority appointed under article 3 of the Act;

"branch" includes -

- (a) in the case of a company whose head office is in Malta carrying on business of insurance, any premises of the company, other than the company's principal place of business, from where the company carries on business of insurance; and
- (b) in the case of a company whose head office is in a country outside Malta carrying on business of insurance in or from Malta, any premises of the company in Malta, other than the company's principal place of business, from where the company carries on business of insurance;

"cell" shall have the same meaning as is assigned to it in the Companies Act (Cell Companies Carrying on Business of Insurance) Regulations; S.L. 386.10

"cell company" shall have the same meaning as is assigned to it in the Companies Act (Cell Companies Carrying on Business of Insurance) Regulations; S.L. 386.10

"European insurance undertaking" shall have the same meaning as is assigned to it in the European Passport Rights for Insurance Undertakings Regulations; S.L. 403.14

"gross premiums" means premiums after deduction of discounts, refunds and rebates of premium but before deduction of premiums for reinsurance ceded and before deduction of commissions payable by the company;

"gross premiums receivable" means -

- (a) in the case of a company whose head office is in Malta carrying on business of insurance, the gross amount of

- premiums receivable in respect of its aggregate business of insurance;
- (b) in the case of a company whose head office is in a country outside Malta, carrying on business of insurance in Malta through a branch or insurance agent, or both a branch and insurance agent, the gross amount of premiums receivable in respect of the aggregate business of insurance carried on in Malta by the branch or insurance agent or both the branch and insurance agent;
 - (c) in the case of a company holding a permit issued under article 39 of the Act servicing solely and exclusively its long term business carried on in or from Malta, the gross amount of premiums receivable in respect of its aggregate business serviced by the company in Malta in accordance with that permit,

in each case, required to be included in the statements required to be forwarded under article 32 of the Act in relation to the calendar year to which the statements relate;

"permit" means a permit issued or held, or to be issued or held, pursuant to or under any provision of the Act;

"to service", in relation to unexpired policies, includes the run-off of such policies;

"the specified date" shall be construed in accordance with article 40 of the Act,

and the words and expressions which are also used in the Act have the same meanings as in the Act.

(2) In these regulations, unless explicitly excluded, business of insurance includes business of reinsurance thereof.

Payment of
authorisation and
permit fees.
Amended by:
L.N. 215 of 2003;
L.N. 8 of 2005;
L.N. 255 of 2006;
L.N. 358 of 2008.

3. Any person, other than a Mutual Association -

- (a) applying for an authorisation in respect of a matter of a description specified in the first column of Group A or Group B of Part I of the Schedule; or
- (b) applying for a permit in respect of a matter of a description specified in the first column of Group C or Group D of Part I of the Schedule; or
- (c) applying for approval in respect of a matter of a description specified in the first column of Group E of Part I of the Schedule,

shall -

- (i) upon submission of the application, irrespective of whether the application is eventually accepted or not, pay to the Authority the fee relating to the matter of the description to which the application relates specified in the second column of the respective Group of that Part of the Schedule subject, where applicable, to the payment of the minimum fee relating to the

matter of that description specified in the third column of that respective Group; and

- (ii) upon acceptance of the application, pay to the Authority the fee relating to the matter of the description to which the application relates specified in the fourth column of the respective Group of the said Part of the Schedule subject, where applicable, to the payment of the minimum fee relating to the matter of that description specified in the fifth column of that respective Group.

4. Any person, other than a Mutual Association, who, on the 31st December of each year, holds an authorisation or permit in respect of a matter of a description specified in Part II of the Schedule shall, during the month of January of the next following year, pay to the Authority the fee relating to the continuance of authorisation or permit in respect of a matter of that description held by the person concerned specified in that Part of the Schedule due on the first day of that month.

Payment of continuance of authorisation and permit fees.
Amended by:
L.N. 215 of 2003;
L.N. 8 of 2005.

5. (1) Subject to subregulation (2), when business of insurance statements are forwarded under article 32 of the Act in the case of a company carrying on business of insurance, the company shall pay to the Authority the fee specified in Part III of the Schedule, according to the amount of its gross premiums receivable for the calendar year to which the forwarded statements relate.

Payment of submission of business statements fees.
Amended by:
L.N. 215 of 2003;
L.N. 255 of 2006;
L.N. 426 of 2007;
L.N. 358 of 2008.

(2) This regulation does not apply -

- (a) in the case of a company carrying on business of affiliated insurance;
- (b) in the case of a company whose business is servicing solely and exclusively general business; or
- (c) in the case of a company whose business is servicing solely and exclusively long term business where the gross premiums receivable by the company in respect of that business for the calendar year to which the statements forwarded relate fall below the amount of and including twenty-five thousand euro (€25,000).

(3) For the purposes of this regulation and Part III of the Schedule, servicing, in relation to general business, is deemed to be effected on the first day immediately following the date of the first anniversary of the specified date shown in the permit to which the business serviced, or being serviced, relates.

6. Any Mutual Association applying for a permit to carry on business of insurance in Malta shall pay to the Authority -

Fees payable by Mutual Associations.
Amended by:
L.N. 215 of 2003;
L.N. 8 of 2005;
L.N. 426 of 2007;
L.N. 358 of 2008.

- (a) upon submission of the application, irrespective of whether the application is eventually accepted or not, the sum of three hundred and seventy-five euro (€375) as application for permit fee;
- (b) upon acceptance of the application, the sum of five

hundred euro (€500) as granting of permit fee; and

- (c) thereafter, during the month of January of each year, the sum of one thousand euro (€1,000) as continuance of permit fee due on the first day of that month.

Fees payable by European insurance undertakings.
Added by:
L.N. 8 of 2005.
S.L. 403.14

7. There shall be paid to the Authority by any European insurance undertaking establishing a branch in Malta under regulation 3 of the European Passport Rights for Insurance Undertakings Regulations, the supervisory fee specified in Part IV of the Schedule. Such supervisory fee shall be paid during the month of June of each year and shall be calculated on the gross premiums receivable attributable to the business of insurance carried on in Malta through the establishment of a branch during the last calendar year.

Fees payable by cell companies.
Added by:
L.N. 8 of 2005;
L.N. 255 of 2006;
L.N. 426 of 2007;
L.N. 358 of 2008.
S.L. 386.10

8. (1) Where an application is made by a company which will, when formed or constituted, be authorised or, when converted, is a company authorised under article 7 of the Act, or where an application is submitted by the cell company for the creation of a new cell to carry on business of insurance pursuant to the Companies Act (Cell Companies Carrying on Business of Insurance) Regulations, the applicant shall pay to the Authority -

- (a) upon submission of the application to carry on business of insurance as a cell company, irrespective of whether the application is eventually accepted or refused, the sum of two thousand and five hundred euro (€2,500) as submission of application fee;
- (b) upon acceptance of the application to carry on business of insurance as a cell company, the sum of two thousand and five hundred euro (€2,500) as acceptance of application fee;
- (c) upon submission of the application for the creation of a cell, irrespective of whether the application is eventually accepted or refused, the sum of one thousand euro (€1,000) as submission of application fee;
- (d) upon acceptance of the application for the creation of a cell, the sum of one thousand euro (€1,000) as acceptance of application fee.

(2) When the business of insurance statements are forwarded by the cell company under article 32 of the Act, there shall be paid by the said cell company to the Authority the fee relating to the continuance of authorisation in the following manner:

- (a) if the cell company does not issue insurance contracts from the non-cellular section of the cell company, the sum of two thousand and five hundred euro (€2,500) and, in addition, where such company carries on business of insurance through its cells, for each cell:
- (i) where the cell carries on business of insurance, other than business of affiliated insurance, the fee specified in the Second Column of Part III of the Schedule;

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- (ii) where the cell carries on exclusively business of affiliated insurance, the sum of two thousand and five hundred euro (€2,500); and
- (b) if the cell company issues insurance contracts from the non-cellular section of the cell company, the fee specified in the Second Column of Part III of the Schedule, and in addition, where such company carries on business of insurance through its cells, for each cell:
- (i) where the cell carries on business of insurance, other than business of affiliated insurance, the fee specified in the Second Column of Part III of the Schedule;
- (ii) where the cell carries on exclusively business of affiliated insurance, the sum of two thousand and five hundred euro (€2,500).
- (3) For the purposes of sub-regulation (2), "business of affiliated insurance" shall have the same meaning as is assigned to it by regulation 14 A of the Companies Act (Cell Companies Carrying on Business of Insurance) Regulations.

S.L. 386.10

9. (Deleted by Legal Notice 255 of 2006).

Savings.
Amended by:
L.N. 215 of 2003;
L.N. 8 of 2005.

Amended by:
L.N. 215 of 2003;
L.N. 8 of 2005;
L.N. 255 of 2006.
Substituted by:
L.N. 426 of 2007;
L.N. 358 of 2008.

SCHEDULE
(Regulations 3 to 5, 7 and 8)
Authorisation and Business Statements Fees

Part I

Authorisation and permit fees

First Column	Second Column Submission of application fee €	Third Column €	Fourth Column Acceptance of application fee €	Fifth Column €
Group A				
Authorisation to carry on -				
1. business of insurance only/ business of reinsurance only/ business of insurance and reinsurance:				
(a) long term business	250 per class	1000	250 per class	1000
(b) general business	75 per class	750	75 per class	750
2. business of affiliated insurance or affiliated reinsurance				
	1,800		2,500	
3. Authorisation to carry on business of reinsurance in the classes already authorised for business of insurance and authorisation to carry on business of insurance in the classes already authorised for business of reinsurance:				
(a) long term business	125 per class	750	125 per class	750
(b) general business	50 per class	500	50 per class	500
Group B				
Authorisation to act as approved auditor -				
(a) individual	125		125	
(b) partnership	250		250	
Group C				
Permit to open a branch in Malta				
	100 per branch		250 per branch	
Group D				

First Column	Second Column	Third Column	Fourth Column	Fifth Column
	Submission of application fee		Acceptance of application fee	
	€	€	€	€
Permit to cease to carry on and subsequently to service -				
1. business of insurance only/ business of reinsurance only/ business of insurance and reinsurance:				
(a) long term business	175 per class	750	175 per class	750
(b) general business	50 per class	750	50 per class	750
2. business of affiliated insurance or affiliated reinsurance	1,200		1,200	
Group E				
Approval of a scheme to transfer general business	50 per class	750	50 per class	750

Part II

Continuance of authorisation and permit fees

	Fee €
Continuance of -	
1. authorisation to carry on business of affiliated insurance or reinsurance	5,000
2. permit to service:	
(a) general business	1,200
(b) business of affiliated insurance or affiliated reinsurance	1,200
(c) business of reinsurance (solely and exclusively)	1,200
3. permit to maintain a branch in Malta	300 per branch

Part III

Submission of business statements fees

First Column	Second Column
Insurers' business statements -	
Gross premiums receivable:	Fee €
Up to and including €2,500,000	5,500
Over €2,500,000 up to and including €3,500,000	6,250
Over €3,500,000 up to and including €5,000,000	7,500

First Column	Second Column
Insurers' business statements -	
Gross premiums receivable:	Fee
Over €5,000,000 up to and including €7,500,000	10,500
Over €7,500,000 up to and including €12,000,000	12,500
Over €12,000,000 up to and including €25,000,000	15,000
Over €25,000,000 up to and including €35,000,000	20,000
Over €35,000,000 up to and including €50,000,000	22,000
Over €50,000,000 up to and including €70,000,000	24,000
Over €70,000,000 up to and including €100,000,000	28,000
Over €100,000,000 up to and including €150,000,000	32,500
Over €150,000,000	37,500

Part IV

Fees payable by a European Insurance Undertaking

First Column	Second Column
Supervisory fee -	
	Fee
	€
Gross premiums receivable during the last ended calendar year:	
Up to and including €2,500,000	4,250
Over €2,500,000 up to and including €3,500,000	5,000
Over €3,500,000 up to and including €5,000,000	6,250
Over €5,000,000 up to and including €7,500,000	8,750
Over €7,500,000 up to and including €12,000,000	10,000
Over €12,000,000 up to and including €25,000,000	12,500
Over €25,000,000	16,250