

CENTRAL BANK
(PAYMENT OF SUPERVISORY FEES AND CHARGES) REGULATIONS
made under section 60(6)

1. These Regulations may be cited as the Central Bank Citation. (Payment of Supervisory Fees and Charges) Regulations.

2. In these Regulations—

~~“assets” means the amount shown as total assets in the audited or unaudited balance sheet of a regulated person for its last financial year-end provided that an unaudited balance sheet shall only be used when an audited balance sheet for that financial year-end is not available;~~

(i) the amount stated as total assets in the audited or unaudited balance sheet of a regulated person for its last financial year-end provided that an unaudited balance sheet shall only be used when an audited balance sheet for that financial year-end has not been filed; or

(ii) in a case where an audited or unaudited balance sheet of the regulated person for its last financial year-end has not been filed, the amount stated as total assets on the last available audited balance sheet;”¹

“banking sector” means all licensed financial institutions, financial holding companies and for the purposes of these Regulations, includes the Home Mortgage Bank;

“Central Bank” means the Central Bank of Trinidad and Tobago established under the Central Bank Act;

“financial holding company” has the meaning assigned to it under the Financial Institutions Act or the Insurance Act, as the case may be;”²

“financial year” means each period not exceeding twelve calendar months designated by a regulated person as the time period for preparing financial reports, balance sheets and income statements;

“fiscal year” means the fiscal year of the Central Bank which represents the twelve-month period between 1st October in any given year to 30th September in the succeeding year;

“foreign regulated subsidiary” means a subsidiary that is located outside of Trinidad and Tobago and is regulated by any regulatory or supervisory agency or body;

“holding company” has the meaning assigned to it in the Insurance Act³;

¹ Reg. 3(a) of The Central Bank (Payment of Supervisory Fees and Charges)(Amendment) Regulations 201X (“Amendment Regulations”)

² Reg. 3 (b) of the Amendment Regulations

³ Reg. 3 (c) of the Amendment Regulations

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- “Home Mortgage Bank” means the Home Mortgage Bank established under the Home Mortgage Bank Act;
- “Inspector” means the Inspector of Financial Institutions appointed under the Financial Institutions Act;
- “insurance intermediary” means a person registered or applying to be registered as an agent, ~~agency, broker, brokerage, sales representative, salesman~~ or adjuster under the Insurance Act;⁴
- “insurance sector” for the purposes of these Regulations, means all registered insurance companies;
- “licensed financial institution” means a financial institution licensed under the Financial Institutions Act;
- “OFSO” means the Office of the Financial Services Ombudsman established by agreement between the Central Bank and other banks and insurance companies regulated by the Central Bank;
- “pension fund plan” means any pension fund plan registered under the Insurance Act;
- “pensions sector” means all pension fund plans;
- “prospective entrant” refers to any person, institution or pension fund plan that has applied to be licensed, registered, permitted or otherwise regulated by the Central Bank under the Central Bank Act, the Financial Institutions Act, the Insurance Act or any other written law;
- “registered insurance company” means ~~a company registered under the Insurance Act~~ a local insurer and an association of underwriters registered under the Insurance Act.”⁵
- “regulated person” refers to ~~an association of underwriters~~ or any person, institution or pension fund plan that is regulated by the Central Bank under the Central Bank Act, the Financial Institutions Act, the Insurance Act, the Home Mortgage Bank Act or any other written law;
- “regulated sector” refers to any grouping or sub-grouping of regulated persons according to the nature of business conducted by such persons, such as the banking, insurance, and pension sectors and any other sector regulated by the Central Bank;
- “supervisory costs” means the total amount of direct and indirect budgeted costs and expenses to be incurred by the Central Bank in respect of its supervision and regulation of ~~all~~ regulated persons for the following fiscal year;
- “supervisory fee” means the portion of the supervisory costs allocated to a regulated person and payable annually;
- “year” means calendar year except where otherwise specified.

3 (1)⁶. These Regulations shall apply to all regulated persons and prospective entrants in the manner set out herein.

⁴ Reg. 3 (d) of the Amendment Regulations

⁵ Reg. 3(e) of the Amendment Regulations

3 (2)⁷ Notwithstanding sub-regulation (1), these Regulations shall not apply to -

- (a) a licensee or financial holding company, as at the date -
 - (i) the High Court makes a winding-up order in respect of the licensee or financial holding company pursuant to a petition by the Inspector under section 63(5) of the Financial Institutions Act, or otherwise; or
 - (ii) the Central Bank grants approval to the licensee or financial holding company to commence the voluntary winding-up under section 66 of the Financial Institutions Act ;
- (b) a registered insurance company or financial holding company, as at the date -
 - (i) the High Court makes a winding-up order in respect of the registered insurance company or financial holding company pursuant to a petition by the Central Bank or ten or more policyholders under section 103 of the Insurance Act, or otherwise; or
 - (ii) the Central Bank grants approval to the registered insurance company or financial holding company to commence voluntary winding-up under section 108(1) of the Insurance Act; or
- (c) an association of underwriters as at the date the Board revokes its registration under section 248(1) or the Central Bank revokes its registration under section 248(3) of that Act; and
- (d) a pension plan in respect of which a notice has been served under section 221(3) of the Insurance Act, as at the wind-up date specified in the resolution of the board of the plan sponsor for the winding-up of the pension plan.

3(3) Notwithstanding sub-regulation (1), regulations (7) to (12) and (19) shall not apply to an association of underwriters.”

4. The service charges set out in Schedule I shall be paid by a regulated person or prospective entrant in respect of any service or activity provided by the Central Bank or the Inspector of Financial Institutions under the provisions of the Central Bank Act, the Financial Institutions Act, the Insurance Act, or any other written law.

5. The Central Bank shall, on or before the 30th day of September in each year, make a determination of its supervisory costs.

6. (1) The Central Bank shall apportion the supervisory costs for the banking and insurance sectors on the basis of the time determined by the Central Bank to have been spent during the previous fiscal year in supervising and regulating the banking and insurance sectors in aggregate.

⁶ Reg. 4 (a) of the Amendment Regulations

⁷ Reg. 4 (b) of the Amendment Regulations

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(2) The apportionment referred to in subregulation (1) shall be further apportioned to each of the banking sector and the insurance sector based on the ratio of assets of each such sector to the total assets of the banking and insurance sectors in aggregate

7. The supervisory costs apportioned to a regulated sector shall be allocated to each regulated person in that sector in the manner set out in regulations 8 to 12 and each such allocation shall represent the supervisory fee payable by that regulated person to the Central Bank.

8. A regulated person, other than a pension fund plan and an insurance intermediary, shall pay a supervisory fee which shall be the greater of the amounts, as is provided for in paragraph (a) or (b) hereunder—

(a) the sum derived from dividing the total assets of the regulated person (excluding a pension fund plan and an insurance intermediary) by the total assets of the relevant regulated sector and multiplying the resulting figure by the supervisory costs apportioned to the relevant regulated sector, as illustrated hereunder:

$$\frac{\textit{Total assets of regulated person}}{\textit{Total assets of regulated sector}} \quad \times \quad \textit{Supervisory costs apportioned to regulated sector}$$

(b) fifty thousand dollars (\$50,000.00) in the case of a registered insurance company or one hundred thousand dollars (\$100,000.00) in the case of a licensed financial institution, a financial holding company and the Home Mortgage Bank.

9. For the purposes of regulation 8, the total assets of a regulated sector shall be the aggregate of the assets of all regulated persons in that sector.

10. For the purposes of regulation 8, the total assets of—

(a) a financial holding company shall—

(i) exclude fifty per cent (50%) of the assets of all foreign regulated subsidiaries; and

(ii) exclude the assets for the entities in the group regulated by the Central Bank;~~and~~⁸

(b) a licensed financial institution or registered insurance company that is also a holding company shall—

(i) exclude fifty per cent (50%) of the assets of all foreign regulated subsidiaries; and

(ii) exclude the assets for the entities in the group regulated by the Central Bank~~;~~ and⁹

“(c) a registered insurance company that is also a holding company shall exclude the assets of all entities which must be separated from

⁸ Reg. 5 (a) of the Amendment Regulations

⁹ Reg. 5 (b) of the Amendment Regulations

the registered insurance entities as a result of a restructuring for a maximum period of three years commencing on the date of a direction by the Central Bank made pursuant to section 47 of the Insurance Act¹⁰.

11. The supervisory fee payable by a regulated person in operation for one year or less shall be calculated in accordance with regulation 98¹¹ save that the total assets of that regulated person shall be based on a projected two-year average of the total assets of that regulated person as provided to the Central Bank.

12. Where the supervisory fee is determined to be more than any annual licence fee, inclusive of annual branch licence fees payable under the Financial Institutions Act, or any annual registration fee payable under the Insurance Act by a regulated person, the regulated person shall only be liable to pay as the supervisory fee, the difference between the licence or registration fee and the supervisory fee.

13. The supervisory fee specified in the Table in Schedule II shall be paid by a pension fund plan and is based on the total assets of the pension fund plan and the corresponding asset range within which the plan falls in the said Table.

14. On or before 31st December of each fiscal year, the Central Bank shall issue to each regulated person a written notice setting out the supervisory fee and licence or registration fees, as well as the regulated person's OFSO costs, payable by the regulated person in respect of that year

15. The fees and costs set out in the notice referred to in regulation 14 shall be paid in two instalments as follows:

(a) the first instalment shall be paid by 31st January of each year and shall comprise—

- (i) one hundred per cent (100%) of licence or registration fees;
- (ii) fifty per cent (50%) of supervisory fees in excess of licence or registration fees; and
- (iii) fifty per cent (50%) of the regulated person's OFSO costs; and

(b) the second instalment shall be paid by 30th June of each year and shall comprise—

- (i) the remaining fifty per cent (50%) of supervisory fees in excess of licence or registration fees; and
- (ii) the remaining fifty per cent (50%) of the regulated person's OFSO costs.

¹⁰ Reg. 5 (c) of the Amendment Regulations

¹¹ Reg. 6 of the Amendment Regulations

16. Notwithstanding regulations 14 and 15, the Central Bank shall within three months of the coming into effect of these Regulations, issue to each regulated person a written notice setting out the supervisory fee payable in respect of the fiscal year ending 30th September 2012, and if applicable, the licence or registration fee and OFSO costs to be paid by a regulated person in respect of that financial year and the said notice shall stipulate the time frame within which such fees and costs shall be paid to the Central Bank.

17. A licensed financial institution may authorise the Central Bank to deduct any supervisory fees payable by that institution under these Regulations from monies in its Reserve Account held at the Central Bank pursuant to section 57 of the Financial Institutions Act.

18. Any fees and costs as set out in the notices referred to in regulations 14 and 16 which are not paid within the time stipulated in the notices shall be subject to a charge at a rate equivalent to the prevailing Central Bank repo rate and shall be recoverable as a civil debt payable to the Central Bank in addition to or in lieu of any action the Central Bank may take under any written law.

19. The supervisory costs to be apportioned in accordance with regulations 5 to 12 shall be applied on a phased basis as follows:

- (a) in respect of the first year, the Central Bank shall apportion sixty per cent (60%) of the supervisory costs;
- (b) in the second year, the Central Bank shall apportion seventy per cent (70%) of the supervisory costs;
- (c) in the third year, the Central Bank shall apportion eighty per cent (80%) of the supervisory costs; and
- (d) in respect of the fourth year and continuing thereafter, the Central Bank shall apportion one hundred per cent (100%) of the supervisory costs.

20. The supervisory fee payable by a pension fund plan under regulation 13 shall be applied on a phased basis as follows:

- (a) in respect of the first year, the Central Bank shall apply sixty per cent (60%) of the applicable supervisory fee specified in the Table in Schedule II for the relevant asset range;
- (b) in respect of the second year, the Central Bank shall apply seventy per cent (70%) of the applicable supervisory fee specified in the Table in Schedule II for the relevant asset range;
- (c) in respect of the third year, the Central Bank shall apply eighty per cent (80%) of the applicable supervisory fee specified in the Table in Schedule II for the relevant asset range; and

- (d) in respect of the fourth year and continuing thereafter, the Central Bank shall apportion one hundred per cent (100%) of the supervisory fee

SCHEDULE I

**SCHEDULE OF SERVICE CHARGES PAYABLE UNDER
THE FEE FOR SERVICE COMPONENT**

PART I

Service Charges for Institutions under the Financial Institutions Act, Ch. 79:09

DESCRIPTION	FEE
Section 4(2)—Approval for a person, other than a bank, to carry on any business under any name or title of which the word “Bank” or any variation of the word forms part.	\$5,000
Section 16(3)—Application by a licensee to carry on the business of banking.	\$10,000
Section 17(3)—Application by a licensee to carry on the business of a financial nature of any of the classes specified in the First Schedule.	\$10,000
Section 17(4)—Application for persons other than licensees to issue electronic money.	\$10,000
Section 18(1)—Application by a foreign financial institution to carry on banking business or business of a financial nature in Trinidad and Tobago, through a single branch.	\$10,000
Section 21(7)—Application to vary a type and class of business for which the licensee is licensed or to carry on a new type and class of business.	\$5,000
Section 41(3)(f)—Application to establish a subsidiary for the provision of necessary services in support of the activities of the group.	\$5,000
Section 46(1)—Application by a licensee to—	\$5,000
(a) directly or indirectly establish or acquire a subsidiary in or outside of Trinidad and Tobago; or	
(b) enter into an agreement for sale or other transfer of—	
(i) a subsidiary of the licensee; or	
(ii) a controlling or significant interest of the licensee in a financial entity.	

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Section 46(2)—Application by a licensee to—	
(a) enter into an agreement for sale or other transfer of ten per cent or more of the assets of—	\$5,000
(i) the licensee;	
(ii) a subsidiary of the licensee; or	
(iii) a company or unincorporated body in which the licensee has a controlling or significant interest; or	
(b) undertake any other restructuring that would result in a reduction in the capital of the licensee.	

Section 50(3)—Application by a licensee to—	
(a) establish, acquire or open a branch or representative office outside Trinidad and Tobago; or	
(b) close or relocate a branch outside Trinidad and Tobago.	\$10,000

Section 50(5)—Application for a foreign financial institution to—	
(a) establish, acquire or open a representative office or an additional branch in Trinidad and Tobago;	
(b) close or relocate a branch in Trinidad and Tobago; or	\$10,000
(c) close or relocate a representative office in Trinidad and Tobago.	

Section 51(1)—Notification of a new product or service.

Section 66(1)—Application to commence a voluntary winding-up.	\$10,000
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Section 70(1)—Application for a permit to establish a financial holding company.	\$1,000
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Section 71(1)—Application for a controlling shareholder permit.	\$5,000
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Section 72(1)—Application to become a significant shareholder.	\$10,000
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Section 73(1)—Application by a licensee or financial holding company of a licensee to merge with another company.	\$5,000
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~~Actual~~ Time spent by
personnel x (average
hourly salary +
benefits of personnel)

PART I—Continued

DESCRIPTION	FEE
Section 74 (1) – Application for a permit for financial entity or a significant controlling shareholder of a financial entity to become an acquirer of a licensee or of the financial holding company of a licensee	\$10,000

PART II

Service Charges for Institutions under the Insurance Act, Chap. 84:01

Service Charges for persons under the Insurance Act¹²

Section	Description	Fee
Section 12(1)(c)	Application by an insurer for the approval of the Central Bank to carry on insurance business outside of Trinidad and Tobago.	\$10,000
Section 14(1)	Application by a company to the Central Bank for a registration under this Act to carry on insurance business	\$10,000
Section 20(1)	Notification to become a Controller of an insurance company	\$10,000
Section 23	Notification of amendment to any particulars specified in the company's application for registration	\$1,000
Section 24	Application by a company to the Central Bank for registration under the Insurance Act to carry on insurance business.	\$10,000
Section 24(1)	Notification of issue of a new form of policy, standard form of endorsement or form of application.	\$2,500
Section 25(1)	Notification of cancellation of registration for a company.	\$7,500
Section 26(1)(a)	Application by a foreign insurance company for the approval in writing of the Central Bank to establish, acquire or open a representative office in Trinidad and Tobago.	\$10,000
Section 27(1)	Application by an insurer for the prior approval of the Central Bank to establish, close or relocate a branch outside Trinidad and Tobago.	\$10,000
Section 31	Notification of amendment to any particulars specified in the	\$1,000

¹² Reg. 8

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	company's application for registration or in any information and in the particulars in any documents which the company is required to furnish under section 24	
Section 32(1)	Notification to the Inspector that an insurer proposes to make any alteration to its articles of incorporation or continuance, by-laws or any other constituent document under which it is incorporated, continued or constituted.	\$5,000
Section 33	Notification of issue of a new or amended standard form of proposal, standard form of policy, standard form of endorsement or standard form of application.	\$5,000
Section 39(1)	Application to create a trust deed relating to assets placed in trust for statutory fund purposes.	\$1,000
Section 51	Application for a permit to carry on the business of a financial holding company	10,000
Section 52	Application for a permit as a controlling shareholder.	\$5,000
Section 53	Application for a permit as a significant shareholder.	5,000
Section 54	Application for a permit for financial entity or a significant controlling shareholder of a financial entity to become an acquirer of an insurer or of the financial holding company of an insurer.	10,000
Section 57	Application for a transfer or an amalgamation.	Time spent by personnel x (average hourly salary + benefits of personnel)
Section 58(4)	All expenses incurred by the Central Bank in obtaining the report of any actuary on the scheme shall be defrayed by the companies engaged in the transfer or amalgamation, and any sum due in respect of those expenses may be recovered summarily as a civil debt by the Central Bank from the companies either jointly or severally	All expenses incurred by the Bank
Section 84(1)	Application for the confirmation of a scheme made by or on behalf of any company engaged in the transfer or amalgamation with another company.	Actual time spent by personnel x (average hourly salary + benefits of personnel)

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Section 86(3)	All expenses incurred by the Central Bank in obtaining the report of any actuary on the scheme shall be defrayed by the companies engaged in the transfer or amalgamation, and any sum due in respect of those expenses may be recovered summarily as a civil debt by the Bank from the companies either jointly or severally.	All expenses incurred by the Bank
Section 88(1)	Application by an insurer to directly or indirectly establish or acquire a subsidiary in or outside of Trinidad and Tobago.	\$10,000
Section 88(2)	Application by an insurer to undertake any restructuring that would result in a reduction in its capital.	\$5,000
Section 89(1)	Application to be registered as a Salesman.	\$100
Section 89(1)	Application to be registered as an Agent	\$500
Section 89(1)	Application to be registered as an Agent (Corporate Bodies or Partnership)	\$1,000
Section 89(1)	Application to be registered as a Broker (individual and Corporate Bodies or Partnership).	\$2,500
Section 89(1)	Application to be registered as an Adjuster (individual and Corporate Bodies or Partnership).	\$2,500
Section 95(e)	Application for cancellation of registration for Salesman or Agent	\$100
Section 95(e)	Application for cancellation of registration for Broker or Adjuster	\$500
Section 108	Application by an insurer or financial holding company to commence a voluntary winding up.	\$5000.
Section 108(3)	Application by an Agent to act on behalf of more than one insurer in respect of different classes of business	\$1000
Section 111	Application to be registered as a sales representative	\$1,000
Section 111	Application to be registered as an agent	\$1,000
Section 111	Application to be registered as a broker	\$3,500
Section 111	Application to be registered as an adjuster (individual)	\$3,500
Section 111	Application to be registered as an agency	\$3,500

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Section 111	Application to be registered as an adjuster (company)	\$6,500
Section 111	Application to be registered as a brokerage	\$6,500
Section 111	Application to be registered as an insurance consultant	\$6,500
Section 119	Application to issue a standard form of proposal or policy.	\$2,500
Section 129(3)	Application for an agency to act on behalf of more than one insurer	\$1,000
Section 135	Application to suspend or vary the obligation of the company to pay surrender values	\$1,000
Section 155	Application for the approval to establish and implement a plan	\$10,000
Section 160	All expenses incurred by the Central Bank in connection with an application for approval to establish and implement a plan shall be defrayed by the company, and any sum due in respect of those expenses may be recovered from the company by the Bank summarily as a civil debt	
Section 164(1)	Application by an insurer registered to carry on long-term insurance business for approval to issue, accept or amend any form of proposal, policy, endorsement or application.	\$2,500
Section 176(1)	Application for the registration of a Pension Fund Plan	\$50
Section 176(5)	Application for an amendment or for the correction of the register in respect of a change	\$10
Section 179	Application to suspend or vary the obligation of the insurer to make payments pursuant to the policy	\$1,000
Section 188(3)	Application to be registered as an association of underwriters.	\$10,000
Section 196(1)	Approval to publish a prospectus, notice, circular, or other invitation offering to the public for subscription any shares in a company or proposed company.	\$500
Section 218(1)	Application for the registration of a pension fund plan	\$1,000
Section 218(5)	Application for an amendment or for the correction of a register in respect of a change	\$500
Section 230	Application to be registered as an association of underwriters	\$10,000
Section 248	Application for the Board to revoke the registration of an association of underwriters	\$5,000

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Section 269	Application to publish a prospectus, notice, circular, advertisement or other invitation offering to the public for subscription any shares in an insurer or proposed company.	\$500
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¹³SCHEDULE II

APPLICATION OF FLAT FEE TO PENSION PLAN ASSET RANGES

RANGE	FLAT FEE
Less than \$5,000	0
\$5,001 - \$2,500,000	\$5,000
Less than \$2,500,000	\$5,000
\$2,500,001–\$10,000,000	\$7,500
\$10,000,001–\$25,000,000	\$10,000
\$25,000,001–\$50,000,000	\$15,000
\$50,000,001–\$100,000,000	\$20,000
\$100,000,001–\$250,000,000	\$25,000
\$250,000,001–\$500,000,000	\$30,000
\$500,000,001–\$1,000,000.000	\$45,000
\$1,000,000,001–\$1,500,000.000	\$60,000
\$1,500,000,001–\$2,500,000.000	\$75,000
\$2,500,000,001–\$3,500,000.000	\$100,000
\$3,500,000,001 and above	\$150,000

¹³ Reg. 8 of the Amendment Regulations