



## Bermuda Monetary Authority Fee Increase

The Bermuda Monetary Authority (Regulatory Fees) Amendment Act 2010, which includes changes to the Investment Funds Act 2006, as amended (the “Act”), is now in effect.

In addition to increases in annual business fees for funds and fund administrators under the Act, there are additions to the scope of transaction-based fees. The date and manner in which fees are to be paid under the Act have also been amended and new provisions included to introduce late penalty fees and to allow the Authority to recover any fee or penalty as a civil debt.

The following new provisions under the Act came into effect on 1 January 2011:

### **Annual Fees**

#### **Funds:**

- 2011 annual fees are due for all exempt funds and for all authorised funds which have not received revocation prior to 31 December 2010.
- The fee is payable on or before 31 March (commencing 31 March 2011). Previously, the fee was payable on or before 30 April.
- After 31 March, a late penalty of 10% of the fee will be applied every month (or part thereof) during which the fee remains unpaid.

#### **Fund Administrators:**

- 2011 annual fees are due for all licensed fund administrators which did not surrender their licence prior to 31 December 2010.
- The fee is payable on or before 31 March (commencing 31 March 2011). Previously, the fee was payable on or before 30 April.

- After 31 March, a late penalty of 10% of the fee will be applied every month (or part thereof) during which the fee remains unpaid.

## Transaction Fees

### Funds:

A transaction fee will continue to be applied to all material change requests but it will now also be required for:

- All notifications under Section 25 of the Act (including, but not limited to, director changes and notice of intention to wind up).
- All notifications for exclusion under Section 6 of the Act.

Below is a chart outlining the increase in fees chargeable under the Act.

The Investment Funds Act 2006		Old fees 2010	New fees 2011
1)	Application fee authorisation (all funds)	\$788	\$830†
2)	Reclassification fee (all funds)	\$788	\$830†
3)	Annual fee – standard fund	\$1,418	\$1,490*
4)	Annual fee – administered fund	\$893	\$940*
5)	Annual fee – institutional fund	\$893	\$940*
6)	Application fee - exempted funds	\$525	\$550†
7)	Annual fee – exempted funds	\$630	\$660*
8)	Application fee – fund administrator’s licence	\$7,875	\$8,270†
9)	Annual fee – fund administrator’s	\$8,663	\$9,100*
10)	Transaction fee: all Section 25 changes and notifications and Section 6 notifications	\$200	\$250†

†effective from 1 January 2011

\*payable on or before 31 March 2011

In addition, the annual fee payable under the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorist Financing Supervision and Enforcement) Act 2008 is now \$825 (the initial application fee is \$105).

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