

BULLETIN NUMBER: PENS 19-005, MB 19-001, INS 19-001

TITLE: New Pensions, Mortgage Broker, and Insurance Company Fee Structures

LEGISLATION: *Pension Benefits Standards Act, Mortgage Brokers Act, Financial Institutions Act*

DATE: December 16, 2019

PURPOSE

This bulletin provides information relating to fee changes for pension plans registered in British Columbia, mortgage brokers and submortgage brokers registered in British Columbia, and insurance companies authorized to do business in British Columbia.

BACKGROUND INFORMATION

In June 2019, the Financial Institutions Commission (FICOM) undertook consultations on proposed fee changes for the pensions, mortgage broker, and insurance sectors.

Fees in all sectors were last reviewed over 10 years ago and have not kept pace with the costs of regulatory oversight of financial services sectors that have grown in size and complexity.

The written and in-person input received from industry was reviewed and considered as part of fee proposal process.

On November 1, 2019, BC Financial Services Authority (BCFSA) assumed the accountabilities of FICOM.

NEW FEE SCHEDULES

On December 12, 2019, the Lieutenant Governor in Council approved fee changes in the pensions, mortgage broker, and insurance sectors (OIC 645). The changes are available at www.bclaws.ca and are summarised below.

PENSIONS

Effective January 15, 2020, the following fee schedule will be in place:

Fee Type	Fees
Active Members	\$8.35
Non-Active Members	\$7.30
Minimum Fee	\$250
Maximum Fee	\$85,000

MORTGAGE BROKERS

Effective April 1, 2020 and April 1, 2022 the following fee schedules will be in place:

Fee Type	Fees Effective April 1, 2020	Fees Effective April 1, 2022
New Brokerage Application	\$1,900	\$1,900
New Broker Application	\$1,500	\$1,500
Brokerage Renewal	\$1,250	\$1,750
Broker Renewal	\$1,250	\$1,500
Amendments	\$200	\$200

INSURANCE COMPANIES

Effective January 15, 2020, the following fee schedule will be in place:

Fee Type	Fees	
BC Incorporated Insurance Companies and Extra-provincial Insurance Companies Annual Fee	\$100 million or less of total non-consolidated assets	\$5,000 + 0.019% of direct premiums in BC
	Greater than \$100 million to \$1 billion of total non-consolidated assets	\$7,500 + 0.019% of direct premiums in BC
	Greater than \$1 billion of total non-consolidated assets	\$10,000 + 0.019% of direct premiums in BC

Moving forward as a Crown agency, BCFSa is committed to reviewing fees on a more regular basis to ensure that fees are aligned with changes in regulatory costs. Those reviews will involve public and industry consultation.

ADDITIONAL INFORMATION

BCFSA accepts Electronic Funds Transfers directly from your financial institution. Please contact us for payment information.

Note that cheques must be made payable to the BC Financial Services Authority.

If you have any questions please contact us at (604) 660-3555 or email the Office of Superintendent of Pensions at pensions@bcfsa.ca, Office of the Registrar of Mortgage Brokers at mortgagebrokers@bcfsa.ca, or Office of the Superintendent of Financial Institutions at insurance@bcfsa.ca.

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