

SECOND SUPPLEMENT TO THE GIBRALTAR GAZETTE

No. 5162 GIBRALTAR Thursday 11th July 2024

LEGAL NOTICE NO. 115 OF 2024

FINANCIAL SERVICES ACT 2019

FINANCIAL SERVICES (INSURANCE DISTRIBUTION) (AMENDMENT) REGULATIONS 2024

In exercise of the powers conferred on the Minister by section 620, 621 and 627 of the Financial Services Act 2019, the Minister has made these Regulations–

Title.

1. These Regulations may be cited as the Financial Services (Insurance Distribution) (Amendment) Regulations 2024.

Commencement.

2. These Regulations come into operation on the day of publication.

Amendment of the Financial Services (Insurance Distribution) Regulations 2020.

3.(1) Regulation 54 of the Financial Services (Insurance Distribution) Regulations 2020 is amended as follows–

(a) in sub-regulation (3), for paragraph (b), substitute–

“(b) have capital resources of not less than the higher of–

(i) £10,000 or 5% of its annual income, where the intermediary holds customer money; or

(ii) £5,000 or 2.5% of its annual income, where the intermediary does not hold customer money; and”;

(b) after sub-regulation (3), insert–

“(4) In sub-regulation (3)–

“annual income” means the income given in the intermediary's most recent annual financial statement, derived from its insurance distribution activities, including–

- (a) all brokerage, fees, commission and other related income due to the intermediary in respect of, or in relation to, those activities; and
- (b) any commission or other amount which the intermediary has agreed to pay to an appointed representative, agent or other person involved in a transaction,

but does not include any amount which the intermediary has collected on behalf of, and which is due to, another person; and

“customer money” means customer money or other customer assets which an intermediary holds in relation to its insurance distribution activities.”.

Dated: 11th July 2024.

N FEETHAM KC
Minister with responsibility for Financial Services

EXPLANATORY MEMORANDUM

These Regulations amend regulation 54 of the Financial Services (Insurance Distribution) Regulations 2020. They amend the capital resources requirement for insurance intermediaries so that it is aligned with the law of the United Kingdom.