

# Advisory

## BCFSA LAUNCHES CONSULTATION ON TRUST COMPANY FEES

**Date:** August 9, 2023  
**Distribution:** Trust Companies  
**Advisory Number:** 23-035

### PURPOSE

BCFSA is seeking your feedback on proposed changes to the fees it collects from trust companies authorized to conduct business in British Columbia. The proposed fee changes will enable BCFSA to continue to deliver on its mandate of instilling confidence in B.C.'s financial services sector through its oversight of sector safety and soundness and protecting consumers.

The proposed fee change is the first update to regulatory fees for trust companies in over thirty years. BCFSA has not raised its annual fees to the trust segment since 1990 and the fees collected have not kept up with inflation. The annual fees currently paid by trust companies authorized in B.C. are insufficient to cover the costs of regulation.

BCFSA operates on a cost-recovery basis to deliver modern, effective, and efficient oversight through fees collected from its regulated segments. The proposed fee change will equip BCFSA to sustain its regulatory oversight of trust companies in the context of a financial marketplace that has increased in complexity.

In addition, the proposed changes will simplify the current annual fee model, harmonizing the B.C. incorporated trust company annual fee and extra-provincial trust corporation annual fee into a single model. The new fee model includes a minimum fee and an additional fee that is based on the percentage of a trust company's unconsolidated assets as reported on the regulatory filings. The use of the same annual fee model for B.C. incorporated trust companies and extraprovincial trust corporations recognizes that both types of trust companies benefit from a well-regulated marketplace.

If approved, the changes to fees for trust companies authorized in B.C. are proposed to take effect April 1, 2024.

You can learn more about the proposed changes to fees for trust companies and participate in this consultation by reviewing the materials in our consultation document and responding to the questions in our online feedback form:

- [Trust Company Fees Consultation Document and Feedback Form](#)

The consultation will be open from August 9, 2023, to September 9, 2023.

### ADDITIONAL INFORMATION

BCFSA receives no public funding. As a self-funded Crown corporation accountable to the public through the Minister of Finance, BCFSA's mandate is to operate on a cost-recovery basis. This means the direct costs to regulate, administer, and oversee trust companies must be recovered from that industry through fees collected by BCFSA.

Classification: **Public**

600-750 West Pender Street  
Vancouver, B.C. V6C 2B7

T 866 206 3030  
F 604 660 3365

/ You're Protected  
bcfsa.ca

The proposed fee change for trust companies will equip BCFSa to sustain its regulatory oversight of trust companies authorized to conduct business in B.C. and to evolve with the emerging risks of the industry. Further information regarding the proposed fee change is provided in the online consultation document and feedback form, and on our website:

- [Consultation on Proposed Fee Changes for Trust Companies](#)

Following BCFSa's consultation with trust companies on proposed fee changes, we will include aggregated results of the feedback in submissions to Treasury Board requesting approval for the changes. Cabinet approval is required to implement fee changes through regulation.

BCFSa values the feedback it receives during consultations and will treat submissions of feedback as confidential records and will not publish individual submissions or attribute content. However, please note that all submissions are subject to the *Freedom of Information and Protection of Privacy Act*.

### **QUESTIONS?**

If you have any questions regarding the consultation on changes to fees for trust companies or about responding to the consultation questions, please email us at [engage@bcfsa.ca](mailto:engage@bcfsa.ca).