

ORDER NR. 222/99 of December 28*

The introduction of the euro in the public financial administration implies the redenomination of the amounts of the fees due by entities licensed to operate within the institutional framework of Madeira's International Business Centre (MIBC).

This operation of legal convergence is guided by the principle of neutrality which imposes the inexistence of significant alterations in the legal and economic situation of such entities, with the exception of two cases. Firstly, industrial activities, where a rule of digressive scale is established, according to the area of land occupied. Secondly, a minimum adjustment of the fees payable by banks, credit institutions, financial companies, insurance and reinsurance companies, amounts which remained unchanged since 1987.

As such, the objectives pursued by this diploma allow also for the confirmation of the principles of trust, credibility and stability upon which the legal construction of the euro was based.

Under such terms:

The Regional Government of Madeira orders, according to paragraph d) of article 69 of Law nr. 13/91, of June 5th, with the wording given by Law nr. 130/99, of August 21st, number 3 of article 9 of the Regulation of Industrial, Commercial and Services Activities approved by the Regional Regulatory Decree nr. 21/87/M, of September 5th, number 2 of article 12 and article 27 of Decree-Law nr. 352-A/88, of October 3rd, with the wording given by Decree-Law nr. 264/90, of August 31st number 2 of article 8 of Decree-Law nr. 96/89, of March 28th and number 1 of article 2 of Decree-Law nr. 10/94, of January 13th, the approval of the following:

General Rules

Article 1

- 1- The entities licensed to operate within the institutional framework of MIBC are subject to the fees established in this order.
- 2- The fees due for the registration and remaining acts and services related to commercial and pleasure vessels within the institutional framework of MIBC are subject to specific regulations.

Article 2

The fees payable pursuant to the present diploma shall be paid to the Regional Government of Madeira through a deposit in the account of the concessionaire of MIBC, according to the law and the concession contract in force.

Industrial Activities

Article 3

- 1- The entities licensed to operate within the Industrial Free Trade Zone are subject to an installation fee, payable at the moment in which the application to obtain authorization to set up is submitted, in the amount of 1.000 Euros.
- 2- The entities mentioned in the previous number, are also subject to an annual operating fee, determined according to one of the following factors:
 - a) Area of the infrastructured plot or, section thereof, or non-infrastructured area;
 - b) Building or module built by the concessionaire of MIBC.
- 3- The fees pursuant to paragraph a) of the preceding number shall correspond to the following scale:
 - a) For an area or section up to 2.500 sqm, inclusive, a fee of 12,5 euros/sqm;
 - b) For an area or section of 2.501 sqm up to 5.000 sqm, inclusive, a fee of 11 euros/sqm;
 - c) For an area or section of 5.001 sqm up to 10.000 sqm, inclusive, a fee of 9,5 euros/sqm;
 - d) For an area or section of 10.001 sqm up to 20.000 sqm, inclusive, a fee of 8 euros/sqm;
 - e) For an area or section above 20.000 sqm, a fee of 7 euros/sqm.
- 4- The fees due in accordance with the preceding number, when related to a non-infrastructured area, shall have a 10% reduction.
- 5- The fees due according to paragraph b) of number 2 of this article shall be established on a case by case basis.
- 6- The concessionaire may, whenever the premises are built by the users, grant a reduction on the annual fee, up to a maximum of 50%, to be applicable during the first six months of construction.

Article 4

- 1- Notwithstanding number 5 of the previous article, the entities licensed to operate in the Industrial Free Trade Zone which, according to the Commercial Companies' Code, are considered associated or inter-group companies, may pay a single fee, its scale level being determined on the basis of the total area allocated to such entities, in accordance with paragraph a) of number 2 of the preceding article.
- 2- If when determining, under the terms and for purposes of the preceding number, the total area, both infrastructured and non-infrastructured areas exist, the reduction foreseen in number 4 of the preceding article applies only to the proportional amount of the non-infrastructured area.
- 3- The payment of the single fee must be requested to the concessionaire of MIBC, which may request the requesting entities to provide the necessary documents to evidence the situation foreseen in number one above.
- 4- Non-payment of the fee, under the terms of the preceding numbers implies revocation of the possibility to pay the single fee and, each one of the licensed entities which

forms part of the group shall be responsible for payment of its corresponding fee under the terms of the previous article.

Financial Activities

Article 5

- 1- Banks and credit institutions which pursuant to the law may undertake all operations allowed to banks, as well as their external branches, international branches, agencies, delegations or representation offices shall pay, on the date of their establishment within the institutional framework of the MIBC, an annual operating fee in the amount of 50.000 euros.
- 2- All other credit institutions and their forms of representation shall pay, on the date of their establishment, an annual operating fee in the amount of 30.000 euros.
- 3- Financial companies and their forms of representation shall pay, on the date of their establishment, an annual operating fee in the amount of 20.000 euros.
- 4- Insurance and reinsurance companies and their forms of representation shall pay, on the date of their establishment, an annual operating fee in the amount of 20.000 euros.
- 5- Insurance and reinsurance companies and their forms of representation, whose range of activities is exclusively that of entities belonging to the same business group ("captive" companies), shall pay, on the date of their establishment, an annual fee in the amount of 12.500 euros.
- 6- Fund and pension fund management companies and their forms of representation shall pay, on the date of their establishment, an annual operating fee in the amount of 20.000 euros.
- 7- The entities referred in numbers 1 and 2 above, operating within the institutional framework of the MIBC through more than one form of representation, will be entitled to a 20% reduction of the fees due by the additional forms of representation.
- 8- In case the date of the establishment of the entities referred in the preceding numbers takes place during the second semester of the year, the annual fee with respect to that year will be reduced in a half.
- 9- The entities referred in the preceding numbers shall, during the month of January of every subsequent year, pay in one sole installment, the applicable annual fee.

International Services Activities

Article 6

- 1- The entities licensed to pursue international services activities, which are not of a financial or trust nature, are subject to:
 - a) An installation fee payable at the moment of submission of the license application in the amount of 1.000 euros;
 - b) An annual operating fee in the amount of 1.800 euros;

- c) A fee, in addition to the annual fee, regarding the second and subsequent years, corresponding to half of one percent of the taxable income of the previous year, on the portion which exceeds one million euros, up to an annual maximum limit of 30.000 euros, whenever the main activity of the company includes the management of shareholdings.
- 2- For purposes of paragraph c) of the preceding number, the entities mentioned therein must submit to the concessionaire, up to the 30th of September of each year, a copy of the income tax declaration, with evidence of receipt, with respect to the previous fiscal year. In case such documentation is not submitted, an additional fee to the annual fee shall be applied, corresponding to the maximum limit previously indicated.

Article 7

- 1- Trust companies and its branches are subject to:
 - a) An installation fee payable upon submission of the license application, in the amount of 1.000 euros;
 - b) An annual operating fee in the amount of 2.400 euros.
- 2- For the registration of a trust, a fee of 300 euros shall be due.
- 3- For the purposes of the preceding number, the trustee must inform the concessionaire of MIBC of the registration of the trust.
- 4- Non-compliance with the obligation foreseen in the preceding number implies revocation of the installation and operation authorization, under the terms of article 16 of the Regulation of Industrial, Commercial and Services Activities, approved by the Regional Regulatory Decree nr. 21/87/M, of September 5th.

Management Companies

Article 8

- 1- The concessionaire may grant a deduction in the amounts of the installation and annual fees due by international services companies managed by management companies, duly licensed to operate within the institutional framework of MIBC.
- 2- In the case mentioned in the preceding number, the installation fee will have a minimum amount of 750 euros and the annual operating fee a minimum of 1.300 euros.
- 3- The above mentioned installation fee is due and shall be paid at the moment of submission of the application for installation and operation authorization.
- 4- The annual operating fee concerning the first year of activity is due and shall be paid on the moment the license is issued.
- 5- The annual operating fee concerning the second and following years, is due and shall be paid within twelve months as from the date on which the previous annual fee was due.

- 6- Management companies are responsible for the payment of the annual operating fees of the companies they sponsor and manage, except when such management companies renounce such responsibility through a written declaration presented together with its statute application, in which case the managed companies shall be subject to the general regime of fees in force in the MIBC.
- 7- The management companies already in operation who wish to renounce such responsibility must present a written declaration until the 31st of January of 2009, the effects of which will only be considered after that date.
- 8- In case of non-renouncement of this responsibility by the management companies, the lack of payment of the fees of the managed companies determines the revocation of the authorization of the concession of the statute, in case no other sanction is applicable and notwithstanding the responsibility of those companies towards the payment of the outstanding fees.
- 9- In case of renouncement of this responsibility by the management companies, these will have, within the ambit of their general responsibility, the obligation of providing all information and cooperation to the concessionaire and other competent entities as required for a full collection of the amounts in debt by the managed companies.
- 10-The nonfulfillment of the duties referred to in the previous number by the management companies determines the immediate expiry of the authorization of the concession of the statute of management company.
- 11-The companies referred to in the previous numbers may request the concessionaire, until the 30th of November of each year, the change of the regime of responsibility in force, with the new regime of responsibility beginning to take force on the first day of the civil year following the one in which the request was presented.

Maritime Transportation

Article 9

- 1- Companies and their forms of representation as well as individual establishments of limited liability which have as their main business shipping activities are subject to:
 - a) An installation fee payable with the submission of the license application, in the amount of 1.000 euros.
 - b) An annual operating fee in the amount of 1.800 euros.
- 2- The entities mentioned in the previous number which undertake exclusively pleasure maritime activities are subject to:
 - a) An installation fee payable with the submission of the license application, in the amount of 600 euros;
 - b) An annual operating fee in the amount of 900 euros.

Article 10

- 1- Entities licensed to carry out international services activities prior to the entry into force of this order, which are not of a financial or trust nature, are subject to:
 - a) The payment in euros of an annual operating fee equivalent to 1.500 US dollars;

- b) The entities mentioned in number 1 above and which have as their main activity the management of shareholdings, shall be subject to the regulations of paragraph c) of number 1 and number 2 of article 6 of this Order.
- 2- Trust companies and its branches licensed prior to the entry into force of this Order are subject to:
 - a) The payment in euros of an annual operating fee in an amount equivalent to 2.000 US dollars;
 - b) A previous payment, for the registration of a trust, of a fee in euros equivalent to 250 US dollars.
- 3- The entities mentioned in the preceding number are subject to the provisions contained in numbers 3 and 4 of article 7 of this Order.
- 4- The conversion referred to in the preceding numbers is obtained by application of the indicative exchange rate of the European System of Central Banks on the date of publication of this Order.
- 5- The amounts of the fees obtained according to the terms of the preceding number shall be rounded up to the nearest unit.

Article 11

- 1- The annual fees payable by the entities referred to in the preceding article which are managed by management companies duly licensed to operate within the institutional framework of MIBC and benefiting from a reduction, granted by the concessionaire, shall have a minimum amount in euros equivalent to 1.000 US dollars.
- 2- Numbers 4 and 5 of article 10 of the present diploma are applicable to the conversion foreseen in the preceding number.
- 3- Article 8 of this Order is also applicable to the entities mentioned in number 1 of this article, in what regards the annual operating fees.

Article 12

- 1- Companies and their forms of representation as well as individual establishments of limited liability already licensed, prior to the entry into force of this Order, and which carry out as their main business maritime transportation activities, shall be subject to a payment in euros of an annual operating fee equivalent to 1.500 US dollars.
- 2- The entities referred to in the preceding number and which exclusively pursue pleasure maritime activities are subject to the payment in euros of an annual fee in the amount equivalent to 750 US dollars.
- 3- The conversion mentioned in the preceding numbers is subject to the provisions of numbers 4 and 5 of article 10 of this Order.

Final provisions

Article 13

Order nr. 4/94, of February 3 is hereby revoked.

Article 14

This Order will be enforced as of January 1, 2000.

* The text includes the amendments introduced by Order n.º 148/2006, of the 28th of December and Order 220/2008, of the 22nd of December