

Fees Manual

Fees Manual

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Chapter 1

Fees Manual

1.1 Application and Purpose

1.1.1

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- (1) *FEES* applies to all *persons* required to pay a fee or levy under a provision of the *Handbook*. The purpose of this chapter is to set out to whom the *rules and guidance* in *FEES* apply.
- (2) ■ **FEES 2** (General Provisions) contains general provisions which may apply to any type of fee payer.
- (3) ■ **FEES 3** (Application, Notification and Vetting Fees) covers one-off fees payable on a particular event for example:
 - (a) various application fees (including those in relation to authorisation, variation of *Part 4A permission*, registration as a *CBTL firm*, authorisation of a *data reporting services provider and listing*); and
 - (b) fees relating to *designated credit reference agencies, designated finance platforms* and certain notifications and document vetting requests.
- (4) ■ **FEES 4** (Periodic fees) covers all periodic fees and transaction reporting fees.
- (4A) ■ **FEES 4A** relates to periodic fees for a *TP person* (including a *supervised run-off firm*) and special project fees for a *CRO firm*.
- (5) ■ **FEES 5** (Financial Ombudsman Service Funding) relates to *FOS* levies and case fees (in ■ **FEES 5.5B**).
- (6) ■ **FEES 6** (Financial Services Compensation Scheme Funding) relates to the *FSCS* levy.
- (7) [deleted]
- (8) ■ **FEES 7A** relates to the *SFGB levy*.
- (9) ■ **FEES 7B** relates to the *DA levy*.
- (10) ■ **FEES 7C** relates to the *TPR SFGB levy*.
- (11) ■ **FEES 7D** relates to the *TPR DA levy*.

1.1.1A

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■ **FEES App 1 Annex 1A** applies to all persons required to pay a fee or any other amount to the *FCA* under the Unauthorised Mutuals Registration Fees Rules, as made by the Fees (Unauthorised Mutual Societies Registration) Instrument 2002 (FSA 2002/4) and amended from time to time. ■ **FEES App 1 Annex 5**

applies to all persons required to pay a fee for inspecting any document or documents on the Mutuals Register.

1.1.1B **G** ■ FEES 9 (Payment System Regulator Funding) relates to *PSR fees*.

1.1.1C **G** [deleted]

1.1.1D **G** [deleted]

1.1.1E **G** ■ FEES 12 (FOS ADR Levy) relates to the *FOS ADR levy*.

1.1.1F **G** ■ FEES Appendix 2 (Office for professional body anti-money laundering supervision fees) applies to the following *persons* required to pay fees to the FCA:

- (1) a *person* applying to become a professional body listed in Schedule 1 to the *Money Laundering Regulations*; and
- (2) professional bodies listed in Schedule 1 to the *Money Laundering Regulations*.

1.1.1G **G** ■ FEES Appendix 3 (Fees payable by persons registered under the Money Laundering Regulations that are not cryptoasset businesses) applies to *persons* registered with the FCA under the *Money Laundering Regulations* that are not:

- (1) *authorised persons*, or
- (2) *cryptoasset businesses*, or
- (3) otherwise registered with the FCA.

1.1.1H **G** ■ FEES Appendix 4 (Fees payable by cryptoasset businesses registered under the Money Laundering Regulations) applies to *cryptoasset businesses* registered with the FCA under the *Money Laundering Regulations*.

Application

1.1.2 **R** This manual applies in the following way:

- (1) ■ FEES 1, ■ 2 and ■ 3 apply to the fee payers listed in column 1 of the Table of application, notification and vetting fees in ■ FEES 3.2.7 R.
 - (a) [deleted]
 - (b) [deleted]
 - (c) [deleted]
 - (d) [deleted]
 - (e) [deleted]

- (f) [deleted]
- (g) [deleted]
- (h) [deleted]
- (i) [deleted]
- (j) [deleted]
- (k) [deleted]
- (l) [deleted]
- (m) [deleted]
- (n) [deleted]
- (o) [deleted]
- (p) [deleted]
- (q) [deleted]
- (r) [deleted]
- (s) [deleted]

(2) ■ FEES 1, ■ 2 and ■ 4 apply to:

- (a) every *firm* (except an *ICVC*);
- (b) every *authorised fund manager* of an *authorised unit trust* or *authorised contractual scheme*;
- (c) every *ACD* of an *ICVC*;
- (d) every *person* who, under the constitution or founding arrangements of a *recognised scheme*, is responsible for the management of the property held for or within the *scheme*;
- (da) every *UK AIFM* of an *LTIF*;
- (e) every *designated professional body*;
- (f) every *recognised body*;
- (g) under the Listing Rules every *issuer* of *shares*, *depository receipts* and *securitised derivatives*;
- (h) under the Listing Rules (*LR*) every *sponsor*;
- (i) under the Disclosure Guidance and Transparency Rules (*DTR*) every *issuer* of *shares*, *depository receipts* and *securitised derivatives*;
- (j) every *fee-paying payment service provider*;
- (k) every *fee-paying electronic money issuer*;
- (l) every *issuer* of a *regulated covered bond*;
- (m) every *small registered UK AIFM*;
- (n) every *AIFM* notifying the *FCA* under regulation 57, 58 and 59 of the *AIFMD UK regulation* and every *AIFM* which has made such a notification;
- (o) [deleted]
- (p) a *data reporting services provider*.

(3) ■ FEES 1, ■ 2 and ■ 5 apply to:

- (a) every *firm* (except to the extent it is *bidding in emissions auctions*), *fee-paying payment service provider* and *fee-paying electronic money issuer* which is subject to the *Compulsory Jurisdiction of the Financial Ombudsman Service*; and
 - (b) every other *person* who is subject to the *Compulsory Jurisdiction* in relation to *relevant complaints*.
- (4) ■ FEES 1, ■ 2 and ■ 6 apply to:
- (a) every *participant firm*;
 - (b) the *FSCS*; and
 - (c) the *Society*.
- (5) ■ FEES 1, ■ 2, ■ 7A (in relation to the *SFGB money advice levy* and *SFGB debt advice levy* only) and ■ 7B apply to:
- (a) every *person* having a *Part 4A permission*;
 - (b) [deleted]
 - (c) [deleted]
 - (d) the *Society*;
 - (e) every *fee-paying payment service provider* except the Bank of England, government departments and local authorities;
 - (f) every *fee-paying electronic money issuer* except the Bank of England, government departments, local authorities, municipal banks and the National Savings Bank.
- (6) ■ FEES App 1 Annex 1A applies to every:
- (a) *registered society*; or
 - (b) *sponsoring body*; or
 - (c) *person* who submits a proposal for the registration of a *registered society*;
- each as defined in ■ FEES Appendix 1.
- (7) ■ FEES 7A (in relation to the *SFGB pensions guidance levy* only) applies to *firms* referred to in ■ FEES 7A.1.2R.

The application statement at ■ FEES 1.1.2R (3) does not apply to ■ FEES 5.5B, ■ FEES 5 Annex 2R or ■ FEES 5 Annex 3R.

- (8) ■ FEES 7C (in relation to the *TPR SFGB money advice levy* and *TPR SFGB debt advice levy* only) and 7D apply to:
- (a) *TP firms*;
 - (b) *TA EMI firms*;
 - (c) *TA PI firms*; and
 - (d) *TA RAISP firms*.
- (9) ■ FEES 7C (in relation to the *TPR FGB pensions guidance levy* only) applies to firms referred to in ■ FEES 7C.1.2R.

- 1.1.2A **R** ■ FEES 1 and ■ FEES 9 apply to:
- (1) operators of regulated payment systems;
 - (2) operators of IFR card payments systems; and
 - (3) direct payment service providers.
- 1.1.2B **R** [deleted]
- 1.1.2C **R** ■ FEES 1 and 12 apply to *FOS Ltd.*
- 1.1.3 **G** The application of ■ FEES 5.5B and ■ FEES 5 Annex 3R is set out in ■ FEES 5.5B.1R. The relevant provisions of ■ FEES 5 and ■ FEES 2 are applied to *VJ participants* by the *standard terms* (see ■ DISP 4).
- 1.1.3A **G** [deleted]
- Purpose**
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- 1.1.4 **G** The purpose of this manual is to set out the fees applying to the *persons* set out in ■ FEES 1.

Chapter 2

General Provisions

2.1 Introduction

Application

2.1.1 **R** Except to the extent referred to in **■ FEES 2.1.1A R**, this chapter applies to every *person* who is required to pay a fee or share of a levy to the *FCA*, *FOS Ltd* or *FSCS*, as the case may be, by a provision of the *Handbook*.

2.1.1A **R** This chapter does not apply in relation to:

- (1) **■ FEES 5.5B**; or
- (2) **■ FEES 5 Annex 2R**; or
- (3) **■ FEES 5 Annex 3R**; or
- (4) a *PSR fee*; or
- (5) [deleted]
- (6) [deleted]
- (7) the *FOS ADR levy*.

2.1.2 **R** **■ FEES 2.2.1R** does not apply in respect of any fee payable under **■ FEES 3** (Application, notification and vetting fees).

2.1.3 **G** The provisions for late payments in **■ FEES 2.2.1R** do not apply to fees payable under **■ FEES 3** as applications, notifications and requests for vetting are generally regarded as incomplete until the relevant fee is paid.

Purpose

2.1.4 **G** The purpose of this chapter is to set out the general provisions applicable to those who are required to pay fees or levies to the *FCA* or a share of the *FSCS* levy.

2.1.5 **G**

- (1) The following enable the *FCA* to charge fees to cover its costs and expenses in carrying out its functions:
 - (a) paragraph 23 of Schedule 1ZA of the *Act*;
 - (b) regulation 92 of the *Payment Services Regulations*;

- (c) regulation 59 of the *Electronic Money Regulations*;
 - (d) article 25(a) of the *MCD Order*;
 - (e) regulation 21 of the *Small and Medium Sized Businesses (Credit Information) Regulations*.
 - (f) regulation 18 of the *Small and Medium Sized Business (Finance Platforms) Regulations*;
 - (g) regulation 40 of the *DRS Regulations*; and
 - (h) paragraph 25 of the Schedule 1 to the *MiFI Regulations*.
- (2) The corresponding provisions for the *FSCS* levy, *FOS* levies, and *CFEB* levies are set out in ■ FEES 6.1, ■ FEES 5.2 and ■ FEES 7.1.4G respectively.
- (3) Case fees payable to the *FOS Ltd* are set out in ■ FEES 5.5B.
- (4) *Fee-paying payment service providers, fee-paying electronic money issuers, CBTL firms, designated finance platforms and designated credit reference agencies* are not required to pay the *FSCS* levy but are liable for *FOS* levies.
- 2.1.5-A G
- 2.1.5A G Regulation 92 of the *Payment Services Regulations* and regulation 59 of the *Electronic Money Regulations* each provide that the functions of the *FCA* under the respective regulations are treated for the purposes of paragraph 23 of Schedule 1ZA to the *Act* as functions conferred on the *FCA* under the *Act*. Paragraph 23(7) however, has not been included. This is the *FCA*'s obligation to ensure that the amount of penalties received or expected to be received are not to be taken into account in determining the amount of any fee payable.
- 2.1 G Article 25 of the *MCD Order* provides that the functions under the *MCD Order* are to be treated for the purposes of paragraph 23 of Schedule 1ZA to the *Act* as functions conferred on the *FCA* under the *Act*.
- 2.1.5C G
- (1) The *FCA* also has a fee-raising power as a result of:
 - (a) regulation 21 of the *Small and Medium Sized Business (Credit Information) Regulations*;
 - (b) regulation 18 of the *Small and Medium Sized Business (Finance Platforms) Regulations*;
 - (c) regulation 40 of the *DRS Regulations*; and
 - (d) paragraph 25 of the Schedule 1 to the *MiFI Regulations*.
 - (2) The *FCA*'s functions under these regulations are treated as functions conferred on the *FCA* under the *Act* for the purposes of its fee-raising power in paragraph 23 of Schedule 1ZA to the *Act* or as if they had similar effect for these purposes.

- 2.1.6** **G** The *FCA's* fees payable will vary from one *fee year* to another, and will reflect the *FCA's* funding requirement for that period and the other key components, as described in **■ FEES 2.1.7G**. Periodic fees, which will normally be payable on an annual basis, will provide the majority of the funding required to enable the *FCA* to undertake its statutory functions.
- 2.1.7** **G** The key components of the *FCA* fee mechanism (excluding the *FSCS* levy, the *FOS* levy and case fees which are dealt with in **■ FEES 5** and **■ FEES 6**) are:
- (1) a funding requirement derived from:
 - (a) the *FCA's* financial management and reporting framework;
 - (b) the *FCA's* budget; and
 - (c) adjustments for audited variances between budgeted and actual expenditure in the previous accounting year, and reserves movements (in accordance with the *FCA's* reserves policy);
 - (2) mechanisms for applying penalties received during previous financial years for the benefit of fee payers;
 - (3) fee-blocks, which are broad groupings of fee payers offering similar products and services and presenting broadly similar risks to the *FCA's* regulatory objectives;
 - (4) a costing system to allocate an appropriate part of the funding requirement to each fee-block; and
 - (5) tariff bases, which, when combined with fee tariffs, allow the calculation of fees.
- 2.1.8** **G** The amount payable by each fee payer will depend upon the category (or categories) of regulated activity or exemption, or other relevant activity applicable to that *person* (fee-blocks). It will, in most cases, also depend on the amount of the business that *person* conducts in each category (fee tariffs).
- 2.1.9** **G** By basing fee-blocks on categories of business, the *FCA* aims to minimise cross-sector subsidies. The membership of the fee-blocks is identified in the *FEES* provisions relating to the type of fees concerned.
- 2.1.9A** **G** *PRA-authorised persons* and *persons* seeking to become *PRA-authorised persons* should note that the *FCA* and the *PRA* have agreed for the *FCA* to act as the *PRA's* collection agent for *PRA* fees. Where applicable, both *PRA* and *FCA* fees should be paid as a single payment to the *FCA*, which will receive the payment in its own capacity in respect of *FCA* fees and in its

capacity as collection agent for the *PRA* in respect of the *PRA* fees. References to this arrangement will be referred to in *FEES* where applicable.

2.1.10 **G** [deleted]

2.1.11 **G** [deleted]

Method of payment

2.1.12 **R** Unless **■ FEES 2.1.13R** applies, the sum payable must be paid using direct debit, credit transfer (BACS/CHAPS), or credit or debit card.

2.1.13 **R** The sum payable can be paid by banker’s draft, cheque or other payable order if:

- (1) the fee or levy payer is:
 - (a) unable to make a payment by any of the methods set out in **■ FEES 2.1.12R**; or
 - (b) permitted to make a paper application rather than an online application for a *Part 4A permission* in respect of *credit-related regulated activities* only or a variation of its *Part 4A permission* to add a *credit-related regulated activity*; or
- (2) upon the fee or levy payer’s request, the *FCA* agrees that, in the exceptional circumstances of a particular case, requiring payment via any method set out in **■ FEES 2.1.12R** would be inequitable.

2.1.14 **G** If **■ FEES 2.1.13R** applies to a fee or levy payer, that fee or levy payer would be expected to notify the *FCA* of these circumstances in advance of making its payment (and, in any event, no less than 7 days before the date on which the application for a *Part 4A permission* or the variation of a *Part 4A permission* is made) unless such notification is impossible in the circumstances – for example, if there is a sudden technological failure.

2.2 Late Payments and Recovery of Unpaid Fees

Late Payments

2.2.1

R

If a *person* does not pay the total amount of a periodic fee, *FOS* levy, or share of the *FSCS* levy, *CFEB* levy or *SFGB* levy, *TPR SFGB* levy or *TPR DA* levy before the end of the date on which it is due, under the relevant provision in ■ FEES 4, 4A, 5, 6, 7, 7A, 7C or 7D that *person* must pay an additional amount as follows:

- (1) if the fee was not paid in full before the end of the due date, an administrative fee of £250; plus
- (2) interest on any unpaid part of the fee at the rate of 5% per annum above the Official Bank Rate from time to time in force, accruing on a daily basis from the date on which the amount concerned became due.

2.2.2

G

The *FCA*, (for *FCA* and *PRA* periodic fees, *FOS* and *FSCS* levies, *SFGB* levies, *TPR SFGB* levies and a *TPR DA* levy), expects to issue invoices at least 30 days before the date on which the relevant amounts fall due. Accordingly it will generally be the case that a *person* will have at least 30 days from the issue of the invoice before an administrative fee becomes payable.

Recovery of Fees

2.2.3

G

- (1) Paragraph 23(8) of Schedule 1ZA of the *Act* permits the *FCA* to recover fees (including fees relating to *payment services*, the issuance of *electronic money*, *CBTL firms*, *data reporting services providers*, *designated credit reference agencies*, *designated finance platforms* and, where relevant, *FOS* levies, *SFGB* levies, *TPR SFGB* levies and a *TPR DA* levy).
- (2) Section 213(6) of the *Act* permits the *FSCS* to recover shares of the *FSCS* levy payable, as a debt owed to the *FCA* and *FSCS* respectively.
- (3) The *FCA* and *FSCS*, as relevant, will consider taking action for recovery (including interest) through the civil courts.

2.2.4

G

In addition, the *FCA* may be entitled to take regulatory action in relation to the non-payment of fees, *FOS* levies, *SFGB* levies, *TPR SFGB* levies and a *TPR DA* levy. The *FCA* may also take regulatory action in relation to the non-payment of a share of the *FSCS* levy, after reference of the matter to the *FCA* by the *FSCS*. What action (if any) that is taken by the *FCA* will be decided upon in the light of the particular circumstances of the case.

2.3 Relieving Provisions

Remission of Fees and levies

- 2.3.1** R If it appears to the *FCA* or the *FSCS* (in relation to any *FSCS* levy only) that in the exceptional circumstances of a particular case, the payment of any fee, *FSCS* levy, *FOS* levy, *SFGB* levy, *TPR SFGB* levy or *TPR DA* levy would be inequitable, the *FCA* or the *FSCS* as relevant, may (unless ■ FEES 2.3.2BR applies) reduce or remit all or part of the fee or levy in question which would otherwise be payable.
- 2.3.2** R If it appears to the *FCA* or the *FSCS* (in relation to any *FSCS* levy only) that in the exceptional circumstances of a particular case to which ■ FEES 2.3.1R does not apply, the retention by the *FCA*, the *FSCS*, or the *CFEB*, as relevant, of a fee, *FSCS* levy, *FOS* levy, *CFEB* levy, *SFGB* levy, *TPR SFGB* levy or *TPR DA* levy which has been paid would be inequitable, the *FCA*, the *FSCS* or the *CFEB*, may (unless FEES 2.3.2BR applies) refund all or part of that fee or levy., *FSCS* levy
- 2.3.2A** G A poor estimate or forecast by a fee or levy payer, when providing information relevant to an applicable tariff base, is unlikely, of itself, to amount to an exceptional circumstance for the purposes of ■ FEES 2.3.1 R or ■ FEES 2.3.2 R. By contrast, a mistake of fact or law by a fee or levy payer may give rise to such a claim.
- 2.3.2B** R The *FCA* or the *FSCS* may not consider a claim under ■ FEES 2.3.1 R and/or ■ FEES 2.3.2 R to reduce, remit or refund any overpaid amounts paid by a fee or levy payer in respect of a particular period, due to a mistake of fact or law by the fee or levy payer, if the claim is made by the fee or levy payer more than 2 years after the beginning of the period to which the overpayment relates.
- 2.3.2C** R For ■ FEES 7A, ■ FEES 7C and ■ FEES 7D, the *FCA* is entitled not to consider a claim under ■ FEES 2.3.1R or ■ FEES 2.3.2R to refund any overpaid amounts due to a mistake of fact or law by the fee-paying *firm* if the claim is made more than two years after the beginning of the period to which the *SFGB* levy, *TPR SFGB* levy or *TPR DA* levy subject to the claim relates.
- 2.3.3** G [deleted]

2.4 VAT

2.4.1

R All fees payable or any stated hourly rate under **FEES 3** (Application, Notification and Vetting Fees), **FEES 4** (Periodic fees), **FEES 4A** (Temporary Permissions Regime (TPR) and Financial Service Contracts Regime (FSCR) – periodic fees), **FEES 6** (Financial Services Compensation Scheme Funding), **FEES 7A** (SFGB levies), **FEES 7C** (Temporary Permissions Regime (TPR) and Financial Service Contracts Regime (FSCR) – Single Financial Guidance Body levy) and **FEES 7D** (Temporary Permissions Regime (TPR) – Devolved Authorities levy) are stated net of VAT. Where VAT is applicable this must also be included.

Chapter 3

Application, Notification and Vetting Fees

3.1 Introduction

Application

- 3.1.1 **R** This chapter applies to every *person* set out in column 1 of the Table of application, notification and vetting fees in ■ FEES 3.2.7 R and every *person* set out in the annexes to ■ FEES 3 referred to in column 1 of the Table of application, notification and vetting fees in ■ FEES 3.2.7R.
- 3.1.1A **R** A reference to *firm* in this chapter includes a *fee-paying payment service provider*, a *CBTL firm*, a *fee-paying electronic money issuer*, a *designated finance platform*, a *designated credit reference agency* and a *data reporting services provider*.

3.1.2 **G** [deleted]

Purpose

- 3.1.3 **G** The purpose of this chapter is to set out the *FCA* fee paying requirements on the persons set out in ■ FEES 1.1.2R (1).
- 3.1.4 **G** Most of the detail of what fees are payable by the persons referred to in ■ FEES 3.1.3 G is set out in ■ FEES 3 Annex 1AR – ■ FEES 3 Annex 16R.
- 3.1.5 **G** [deleted]
- 3.1.5A **G** The fees for *funds* reflect the estimated costs to the *FCA* of assessing applications and notifications. The level of fees payable in respect of an application or a notification will vary depending upon the provision of the *Act* under which it is made. This fee is adjusted when the *scheme* concerned is an *umbrella*.

- 3.1.5B** **G** Application fees for *recognised bodies* are calculated from a tariff structure intended to reflect the estimated cost of processing an application of that type and complexity.
- 3.1.6** **G** [deleted]
- 3.1.6A** **G** Fees for applications and notifications under the *Payment Services Regulations* are set out in ■ FEES 3 Annex 8R. The fee depends on the type of *payment services* a *firm* wishes to provide and whether it will be a *small payment institution* or an *authorised payment institution*. The fee may also depend on the number of *agents* it has.
- 3.1.6B** **G** Fees for applications and notifications under the *Electronic Money Regulations* are set out in ■ FEES 3 Annex 10 R. The fee depends on whether the *firm* is an *authorised electronic money institution* or a *small electronic money institution*.
- 3.1.6C** **G** Application fees for registration under article 8(1) of the *MCD Order* are set out in ■ FEES 3 Annex 10AR. The fee depends on whether the *firm* holds an existing *Part 4A permission* or has previously registered as a *CBTL firm* and that registration has been revoked under article 13 of the *MCD Order*.
- 3.1.6D** **G**
- (1) Fees for *designated credit reference agencies* and *designated finance platforms* are set out at ■ FEES 3 Annex 10B.
 - (2) These fees are charged under regulation 21 of the *Small and Medium Sized Business (Credit Information) Regulations* and regulation 18 of the *Small and Medium Sized Business (Finance Platforms) Regulations*.
- 3.1.6E** **G**
- (1) Application fees for authorisation under regulation 7 of the *DRS Regulations*, and for operators of *trading venues* seeking verification of their compliance with Title V of *MiFID* under regulation 8 of the *DRS Regulations* and for variation of an authorisation under regulation 12 of the *DRS Regulations* are set out in the table at ■ FEES 3.2.7R.
 - (2) The fee depends on the number of *data reporting services* for which the *firm* is making an application.
- 3.1.7** **G** A potential applicant for *Part 4A permission* has the opportunity to discuss its proposed application with the *FCA* before submitting it formally. If an applicant for *Part 4A permission* does so, the *FCA* will be able to use that dialogue to make an initial assessment of the fee categorisation and therefore indicate the authorisation fee that should be paid.
- 3.1.8** **G** [Deleted]

3.1.8A

G

Application fees for applications for and variations of *Part 4A permission* in respect of *credit-related regulated activities* are also set out in ■ FEES 3 Annex 1AR and ■ FEES 3 Annex 16R.

[Note: *PRA-authorised persons* may also pay regulatory transaction fees to the *PRA* set out in Chapter 4 of the Fees Part of the *PRA* Rulebook.]



3.2 Obligation to pay fees

General

3.2.1 **R** A person referred to in column (1) of the table in **FEES 3.2.7 R** as the relevant fee payer for a particular activity must pay to the *FCA* (in its own capacity or, if the fee is payable to the *PRA*, in its capacity as collection agent for the *PRA*) a fee for each application or request for vetting, or request for support relating to compatibility of its systems with *FCA* systems, or admission approval made, or notification, or other matter as is applicable to it, as set out or calculated in accordance with the provisions referred to in column (2) of the appropriate table:

- (1) in full and without deduction; and
- (2) on or before the date given in column (3) of that table or the relevant annexes.

3.2.1A **R** A person must pay the fee in Categories A5 and A6 of **FEES 3 Annex 12R** for the first submission of a document to the *FCA* for approval or review in relation to a significant transaction or super transaction. As an exception to **FEES 3.2.1R**, after that fee is paid, Categories A1 to A4 of **FEES 3 Annex 12R** specify the fees a person must pay for any further documents submitted for approval or review in relation to the same transaction.

3.2.2 **G** If an application for a *Part 4A permission* falls within more than one category set out in **FEES 3 Annex 1**, other than where one of the applications is an application under the *benchmarks regulation*, only one fee is payable. That fee is the one for the category to which the highest fee tariff applies, unless the contrary intention appears. Where applications are made under the *benchmarks regulation*, a separate fee will be payable for this application.

Method of payment

3.2.3 **R** [deleted]

3.2.3A **R** [deleted]

3.2.3B **G** [deleted]

3.2.4 **G** [deleted]

3.2.5

G

- (1) The appropriate authorisation or registration fee is an integral part of an application for, or an application for a variation of, a *Part 4A permission* or *approver permission*, authorisation, registration or variation under the *Payment Services Regulations* or the *Electronic Money Regulations*, registration under article 8(1) of the *MCD Order*, authorisation under regulation 7 of the *DRS Regulations* or verification under regulation 8 of the *DRS Regulations* or notification or registration under the *AIFMD UK regulation*, registration or certification under the *CRA Regulation*, registration or recognition under *EMIR* or the *Securities Financing Transactions Regulation*, or registration under the *Securitisation Regulation*.

(b) Any application or notification received by the FCA without the accompanying appropriate fee, in full and without deduction (see ■ FEES 3.2.1 R), will not be treated as an application or notification made, incomplete or otherwise, in accordance with section 55U(4), or 55H of the Act or regulation 5(3) or 12(3) of the *Payment Services Regulations* or regulation 5 or 12 of the *Electronic Money Regulations* or regulation 11(1) and 60(a) of the *AIFMD UK regulation*, regulation 7(2) of the *DRS Regulations* or article 9 of the *MCD Order*.

(c) Where this is the case, the FCA will contact the applicant to point out that the application cannot be progressed until the appropriate fee has been received. In the event that the appropriate fee, in full and without deduction, is not forthcoming, the application will be returned to the applicant and no application will have been made.

(2) With the exception of persons seeking to become a *designated professional body*, all applications, notifications, requests for vetting or admission approval will be treated as incomplete until the relevant fee is fully paid and the FCA will not consider an application, notification, request for vetting or admission approval until the relevant fee is fully paid. Persons seeking to become a *designated professional body* have 30 days after the designation order is made to pay the relevant fee.

3.2.6 G Fees paid under this chapter are not refundable.

3.2.7 R **Table of application, notification, vetting and other fees payable to the FCA**

Part 1A: Application, notification and vetting fees		
(1) Fee payer	(2) Fee payable (£) by reference to the pricing category in FEES 3 Annex 1AR.	Due date
(a) Any applicant for <i>Part 4A permission</i> (including an <i>incoming firm</i> applying for <i>top-up permission</i>) whose fee is not payable pursuant to sub-paragraph (zza) of this table	<p>(1) Unless (2) or (3) applies, in respect of a particular application, the highest of the tariffs set out in FEES 3 Annex 1AR which apply to that application.</p> <p>(2) 50% of the tariff payable under (1) is payable when either (a) or (b) apply:</p> <p>(a) the application is one referred to in paragraph p; or</p> <p>(b) the application is a <i>limited permission</i> case under FEES 3 Annex 1.</p>	On or before the application is made

Part 1A: Application, notification and vetting fees		
	<p>(3) If the applicant applies for registration under article 8(1) of the <i>MCD Order</i> at the same time as applying for a <i>Part 4A permission</i>, the fee payable is the higher of:</p> <p>(i) the fee payable in (1) or (2); and</p> <p>(ii) the fee payable in FEES 3 Annex 10AR.</p> <p>(4) [deleted]</p>	
<p>(aa) A person who makes an application under section 24A of the Consumer Credit Act 1974 which meets the conditions of article 31 (Applications for a standard licence where no determination made before 1 April 2014) of the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No 2) Order 2013 (the "relevant application")</p> <p>(b) [deleted]</p>	<p>As (a) above less any amount paid to the Office of Fair Trading in relation to the relevant application.</p>	<p>Within 30 days of the date of the invoice.</p>

Part 1A: Application, notification and vetting fees		
(c) [deleted]		
(d) [deleted]		
(da) <i>Persons</i> making an application or notification in relation to applications set out in FEES 3 Annex 2R:	Category applicable to the application or notification set out in FEES 3 Annex 2R	On or before the date the application or notification is made
(i) <i>authorisation order</i> for or recognition under section 272 of the <i>Act</i> of a <i>collective investment scheme</i> ;		
(ii) application for the authorisation of an <i>AIF</i> as an <i>LTIF</i> ;		
(v) an <i>AIFM</i> notifying the <i>FCA</i> of its intention to market an <i>AIF</i> in the <i>UK</i> under regulation 58 or 59 of the <i>AIFMD UK regulation</i> ; and		
(vi) an applicant for registration on the register of <i>small registered UK AIFM</i> .		
(e) Any applicant making an application set out in FEES 3 Annex 14R - Other FCA application fees:	Pricing category applicable to the application set out in FEES 3 Annex 14R	As specified in FEES 3 Annex 14R
(i) Any <i>person</i> seeking an order under section 326(1) of the <i>Act</i> to become a <i>designated professional body</i> ;		
(ii) applicant to be added to the list of <i>designated investment exchanges</i> ;		
(iii) any applicant for recognition as an <i>accredited body</i> ;		
(iv) any applicant for registration under regulation 14 of the <i>Risk Transformation Regulations</i> as a <i>protected cell company</i> ;		
(v) an application for recognition of an administrator in accordance with article 32 of		

Part 1A: Application, notification and vetting fees

the *benchmarks regulation*;

(vi) an application for endorsement of a *benchmark* or family of *benchmarks* in accordance with article 33 of the *benchmarks regulation*;

(vii) an application for authorisation under regulation 7 of the *DRS Regulations*, or the operator of a *trading venue* seeking verification of their compliance with Title V of *MiFID* under regulation 8 of the *DRS Regulations*;

(viii) an application for variation of an authorisation under regulation 12 of the *DRS Regulations*;

(ix) an application for connection to the *market data processor system* to provide reports directly to the *FCA* under *MiFIR*;

(x) an application to connect to the *market data processor system* to provide *markets data (other than transaction reports)* under *MAR 10*;

(xi) an application for authorisation as a *third party verifier*;

(xii) an application for, to vary or cancel an *approver permission*.

(ea) [deleted]

(eb) [deleted]

Part 1A: Application, notification and vetting fees		
<p>(f) Persons making an application referred to in FEES 3 Annex 15R – Transaction fees:</p> <p>(i) any applicant for a certificate under article 54 of the <i>Regulated Activities Order</i>;</p> <p>(ii) a transferor in the case of an <i>insurance business transfer scheme</i>;</p> <p>(iii) an <i>issuer</i> applying for registration of a <i>regulated covered bond</i>;</p> <p>(iv) an <i>issuer</i> who proposes to make a material change to the contractual terms of a <i>regulated covered bond</i> under RCB 3.5.4D;</p> <p>(v) an applicant for FCA permission for:</p> <p>i. an agreement to be enforced under section 28A(3)(a) of the <i>Act</i>; or</p> <p>ii. money paid or property transferred under the agreement to be retained under section 28A(3)(b) of the <i>Act</i>.</p> <p>(vi) Applications in respect of controlled functions under the Senior Managers and Certification Regime (SMCR), including applications by <i>principal firms</i> in respect of SMCR functions in <i>appointed representatives</i>.</p>	<p>Pricing category applicable to the application or notification set out in FEES 3 Annex 15R.</p>	<p>As specified in FEES 3 Annex 15R</p>
<p>(g) Any applicant for recognition as a <i>UK recognised body</i>:</p> <p>(i) under section 287 of the <i>Act</i>; or</p> <p>(ii) under regulation 2(1) of the <i>RAP regulations</i></p> <p>(ga) [deleted]</p>	<p>FEES 3 Annex 3, part 1</p>	<p>On or before the date the application is made</p>

Part 1A: Application, notification and vetting fees		
(h) Any applicant for recognition as an <i>ROIE</i> under section 287 or section 292 of the <i>Act</i>	FEES 3 Annex 3, part 2	On or before the date the application is made
(i) [deleted]		
(j) [deleted]		
(k) [deleted]		
(l) [deleted]		
(m) [deleted]		
(n) [deleted]		
(o) [deleted]	[deleted]	[deleted]
(oa) [deleted]	[deleted]	[deleted]
(p) A <i>firm</i> applying for a variation of its <i>Part 4A permission</i> , as referred to in FEES 3 Annex 16R, whose fee is not payable pursuant to sub-paragraphs (zza) or (zzh) of this table	<p>(1) As specified in FEES 3 Annex 1R-FEES 3 Annex 14R</p> <p>(2) Subject to (3) below, if the new business of the <i>firm</i> would fall within more than one pricing category in FEES 3 Annex 1AR, the fee payable is that in the highest pricing category applicable to the application.</p> <p>(2A) [deleted]</p> <p>(3) [deleted]</p> <p>(3A) [deleted]</p> <p>(3B) [deleted]</p> <p>(3C) If the applicant applies for registration under article 8(1) of the <i>MCD Order</i> at the same time as it applies for a variation of its <i>Part 4A permission</i>, the fee payable is the highest of:</p> <p>(i) the fees set out in FEES 3 Annex 10AR;</p> <p>(ii) the amount payable in accordance with FEES 3 Annex 16R;</p> <p>(3D) [deleted]</p> <p>(4) [deleted]</p> <p>[deleted]</p>	On or before the date the application is made
(pa) A person who makes an application under section 30(1) of the Consumer Credit	As (a) or (p) above, less any amount paid to the Office of Fair Trading in relation to the	Within 30 days of the date of the invoice.

Part 1A: Application, notification and vetting fees		
Act 1974 which meets the conditions of article 33 (Variations at request of licensee where no determination made before 1 April 2014) of the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No 2) Order 2013 (the "relevant variation application")	relevant variation application.	
(q) [deleted]		
(r) [deleted]		
(s) [deleted]		
(t) [deleted]		
(u) [deleted]		
(v) [deleted]		
[deleted]		
(x)[deleted]		
(y) A person who makes an application or notification to the FCA under the <i>Payment Services Regulations</i> , including an application for variation of authorisation or registration.	The fee payable is that in the highest pricing category applicable to the application or notification as set out in FEES 3 Annex 8R .	On or before the date the application is made.
(ya) [deleted]		
(z) [deleted]		
(za) [deleted]		
(zb) [deleted]		
(zc) [deleted]		
(zd)		[deleted]
(ze) Any person to which the Special Project Fee for restructuring applies under FEES 3 Annex 9 .	Special Project Fee for restructuring in accordance with FEES 3 Annex 9 .	30 days of the date of the invoice.
(zf) [deleted]		
(zg) A person who makes an application or notification to the FCA under the <i>Electronic Money Regulations</i> , including an application for variation	The fee payable is that in the highest pricing category applicable to the application or notification as set out in FEES 3 Annex 10R .	On or before the date the application is made.

Part 1A: Application, notification and vetting fees		
of authorisation or registration.		
(zh) [deleted]		
(zi) [deleted]		
(zj) [deleted]		
(zk) [deleted]		
(zl) [deleted]		
(zm) [deleted]		
(zn) [deleted]		
(zo) In the case of persons in respect of which the FCA has given notice of its intention to take, or appoint a competent person to take, any steps under CONRED 2.5.12R or 4.5.1R, either:	An amount equal to:	Within 30 days of the date of the invoice.
(i) a Firm (as defined in CONRED 2.1.1R(1)) or 4.1.3R; or	(1) a sum determined by the number of hours, or part of an hour, taken by the FCA in relation to work conducted in taking steps under CONRED 2.5.12R or 4.5.1R recorded on the FCA's systems, multiplied by the rate in FEES 3 Annex 9 (11)R; or	
(ii) a person falling within CONRED 2.1.2R(1) or 4.1.5R.	(2) any amount invoiced to the FCA by a competent person in relation to any work carried out by that competent person in connection with its appointment by the FCA under CONRED 2.5.12R or 4.5.1R.	
(zp) A person in respect of which the FCA has given notice of its intention to itself appoint a skilled person to provide it with a report pursuant to section 166(3)(b) of the Act and SUP 5.2.	Any amount invoiced to the FCA by a skilled person in relation to any work carried out by that skilled person in connection with its appointment by the FCA pursuant to section 166(3)(b) of the Act.	Within 30 days of the date of the invoice.
(zq) A person in respect of which the FCA has given notice of its intention to itself appoint a skilled person to collect or update information pursuant to section 166A(2)(b) of the Act.	Any amount invoiced to the FCA by a skilled person in relation to any work carried out by that skilled person in connection with its appointment by the FCA pursuant to section 166A(2)(b) of the Act.	Within 30 days of the date of the invoice.
(zr) [deleted]		
(zs) [deleted]		

Part 1A: Application, notification and vetting fees		
(zt) An applicant for registration in the <i>Financial Services Register</i> under article 8(1) of the <i>MCD Order</i> .	<p>Unless (1), or (2) applies, the fee as set out in FEES 3 Annex 10A.</p> <p>(1) If the applicant is applying for a <i>Part 4A permission</i> at the same time as it applies for registration under article 8(1) of the <i>MCD Order</i>, the fee payable in row (a), column (2) paragraph (3) of this Table.</p> <p>(2) If the applicant is applying for a variation of a <i>Part 4A permission</i> at the same time as it applies for registration under article 8(1) of the <i>MCD Order</i>, the fee payable in row (p), column 2 paragraph (3)(c) of this Table.</p>	On or before the application is made.
(zu) Any person to which the Designated Credit Reference Agencies and Finance Platform Fee applies under FEES 3 Annex 10B.	Designated Credit Reference Agencies and Finance Platform Fee in accordance with FEES 3 Annex 10B.	Within 30 days of the date of the invoice.
(zv) Any firm that meets the test in FEES 3 Annex 10C(1)R(1) (PPI campaign fees).	The amount set out in FEES 3 Annex 10C(1) R(2).	Within 30 days of the date of the invoice.
(zw) [deleted]		
(zx) [deleted]		
(zy) [deleted]		
(zz) [deleted]		
(zza) An application for authorisation as a <i>regulated benchmark administrator</i> .	<p>The highest of the applicable tariffs set out in FEES 3 Annex 1A.</p> <p>Where an applicant intends to <i>administer benchmarks</i> falling into different complexity groupings, it will pay one fee only, for the highest category applied for. If, once authorised, a <i>regulated benchmark administrator</i> notifies the FCA of its intention to administer other/additional <i>benchmarks</i> no further application fee is payable (even if the other/additional</p>	On the date the application is made.

Part 1A: Application, notification and vetting fees		
(zzb) [deleted]	benchmark falls into a higher complexity category).	
(zzc) [deleted]		
(zzd) applications for <i>claims management companies</i>	The fee applicable to the application as set out in paragraph CMC of Part 2 of FEES 3 Annex 1R. <i>Firms which already have Part 4A permissions and are applying to vary their permissions will pay 50% of the relevant fee.</i>	On the date the application is made.
(zze) [deleted]		
(zzf) <i>UK-based applicants for registration as a trade repository; a securitisation repository, or a third country applicant seeking recognition as a trade repository.</i>	5,000 Applicants for registration as a <i>trade repository</i> who already hold registration as a <i>securitisation repository</i> , or vice versa, will receive a 50% discount on the relevant application fee. Applicants for registration as a <i>trade repository</i> to carry on activity for the purposes of <i>UK SFTR</i> who already hold registration as a <i>trade repository</i> under <i>EMIR</i> or vice versa, will receive a 50% discount on the relevant application fee.	On the date the application is made.
(zzg) <i>UK-based applicants for registration as a credit rating agency or a third country applicant seeking certification as a credit rating agency.</i>	The fee set out in FEES 3 Annex 13R.	On the date the application is made.
(zzh) Permission for (1) carrying on <i>funeral plan distribution</i> ; (2) carrying out a <i>funeral plan contract as provider</i> ; or (3) carrying out a <i>funeral plan contract as provider and entering</i>	(1) The highest of the tariffs set out in FEES 3 Annex 1R part 3A which apply to that application, subject to (2) and (3) below. (2) Unless (3) below applies, where an applicant was carrying out any of the activities referred to in (zzh)(1)-(3)	On or before the application is made.

Part 1A: Application, notification and vetting fees		
<p>as provider into a funeral plan contract.</p>	<p>on 1 September 2021, and makes an application for permission for any of those activities after 1 November 2021, the application fees shall be:</p> <p>(a) £3,500 for (zzh)(1) or zzh(2);</p> <p>(b) £14,000 for (zzh)(3).</p> <p>(3) If an applicant which already has any of the permissions referred to in (zzh) applies to vary its permission, the application fees shall be:</p> <p>(a) £500 for (zzh)(1);</p> <p>(b) £1,250 for (zzh)(2); and</p> <p>(c) £5,000 for (zzh)(3).</p>	
Part 2: UKLA fees		
(1) Fee payer	(2) Fee payable	(3) Due date
<p>(a)</p> <p>(i) An issuer which has not made public its annual financial report before the latest time specified in DTR 4.1.3 R.</p> <p>(ii) An issuer which has not made public its half-yearly financial report before the latest time specified in DTR 4.2.2 R (2).</p>	<p>FEES 3 Annex 12R</p>	<p>Within 30 days of the date of the invoice.</p>
<p>(b) An applicant for approval as a sponsor.</p>	<p>FEES 3 Annex 12R</p>	<p>On or before the date the application is made.</p>
<p>(c) For the purposes of the listing rules:</p> <p>(i) an issuer requesting approval of a document arising in relation to a specific event or transaction, which is not a significant transaction or a super transaction; or</p> <p>(ii) an issuer or person applying for eligibility for listing of its securities.</p>	<p>FEES 3 Annex 12R</p>	<p>On or before the date that relevant document is first submitted to the FCA.</p>

Part 1A: Application, notification and vetting fees		
(d) Under the <i>Prospectus Rules</i> or the <i>Prospectus Regulation</i> , an <i>issuer</i> or a person requesting approval or review of a <i>document</i> arising in relation to a specific event or transaction, which is not a <i>significant transaction</i> or a <i>super transaction</i> .	FEES 3 Annex 12R	On or before the date that relevant <i>document</i> is first submitted to the <i>FCA</i> .
(e) An <i>issuer</i> requesting the approval or review of a <i>document</i> in connection with a <i>super transaction</i> .	FEES 3 Annex 12R	On or before the date that relevant <i>document</i> is first submitted to the <i>FCA</i> .
(f) An <i>issuer</i> requesting the approval or review of a <i>document</i> in connection with a <i>significant transaction</i> .	FEES 3 Annex 12R	On or before the date that relevant <i>document</i> is first submitted to the <i>FCA</i> .
(g) A person who requests the <i>FCA</i> 's approval of a <i>document</i> that includes a <i>mineral expert's report</i> and who is a fee payer under one or more of the categories (c), (d), (e), and (f) above must additionally pay a fee under this category.	FEES 3 Annex 12R	On or before the date that relevant <i>document</i> is first submitted to the <i>FCA</i> .
(h) An applicant for approval as a <i>primary information provider</i> .	FEES 3 Annex 12R	On or before the date the application is made.

[**Note:** Guidance on how a *firm* liable to pay a fee under both rows (s) and (ze) of this table for the same transaction should expect to be treated is set out in ■ FEES 3 Annex 11 G.]

3.2.7A R

Authorisation fees payable

Part 1 – Authorisation fees payable in the A, B, C, CC and CMC fee-blocks

For *FCA-authorized persons* and *persons* seeking to become *FCA-authorized persons*, the amount payable to the *FCA* is the amount payable in the pricing category applicable to the application as set out under:

- (a) Part 1(a) below; or
- (b) Part 2 below.

The fees applicable to *credit unions* are set out in Part 1b below.

For *PRA-authorized persons* and *persons* seeking to become *PRA-authorized persons*, the amount payable to the *FCA* is the amount payable under Part 1(b).

[**Note:** *PRA-authorized persons* may also pay regulatory transaction fees for new authorisations to the *PRA* as set out in Chapter 4 of the Fees Part of the *PRA*'s Rulebook.]

The Tables below set out the following:

- (1) fees for applications by *credit unions* in Part 1(b) and *community finance organisations* in Part 1(a);
- (2) fees for applications in the A, B, C, CC and CMC fee-blocks in Part 2.
- (3) [deleted]

Part 1(a) Authorisation Fees payable to the FCA by community finance organisations

Application type	Amount payable (£)
(1) <i>Community finance organisations</i>	
(a) [deleted]	
(aa) <i>Community finance organisations</i> - where application is for a <i>Part 4A permission</i> limited to <i>permission</i> to carry on <i>credit-related regulated activity</i>	Pricing category 1 in FEES 3 Annex 1AR
(ab) <i>Community finance organisations</i> - where application is for a <i>Part 4A permission</i> as a <i>home finance provider</i> or <i>home finance administrator</i>	Pricing category 1 in FEES 3 Annex 1AR
(ac) [deleted]	
(b) [deleted]	
(c) [deleted]	
[deleted]	
(d) [deleted]	
(e) [deleted]	
(f) [deleted]	
(3) [deleted]	
(g) [deleted]	
	[deleted]

Part 1(a) Authorisation Fees payable to the FCA by community finance organisations

- (h) [deleted]
- (i) [deleted]
- (j) [deleted]
- (4) [deleted]
- (k) [deleted]
- (l) [deleted]
- (5) [deleted]
- (m) [deleted]

Part 1(b) Authorisation Fees payable to the FCA by PRA-authorized persons

Application type	Amount payable (£)
(1) <i>Credit unions</i>	
(a) <i>Credit unions</i> - registration of a common bond	200
(aa) <i>Credit unions</i> where application is for a <i>Part 4A permission</i> limited to <i>permission</i> to carry on <i>credit-related regulated activity</i>	100
(b) <i>Credit unions</i> (other than where (aa) applies)	150
(c) [deleted]	
(2) [deleted]	
(d) [deleted]	
(e) [deleted]	
(f) [deleted]	
(3) [deleted]	
(g) [deleted]	
(h) [deleted]	

Part 1(b) Authorisation Fees payable to the FCA by PRA-authorized persons

(i) [deleted]

(j) [deleted]

Part 2 – Pricing categories applicable to applications made in the following activity groupings in the A, B, C, CC and CMC fee blocks

Activity grouping	Description	Applicable pricing category in FEES 3 Annex 1AR
A.1	<i>Deposit acceptors (excluding e-money issuers and credit unions) and dormant asset fund operators</i>	7
A.2	<i>Home finance providers and administrators</i>	6
A.3	<i>Friendly societies only</i>	4
	<i>UK ISPVs</i>	6
	<i>Insurers - general (excluding friendly societies and UK ISPVs)</i>	7
A.4	<i>Friendly societies only</i>	4
	<i>Insurers - life (excluding friendly societies)</i>	7
A.5	<i>Managing agents at Lloyd's</i>	5
A.7	<i>Portfolio managers</i>	6
A.9	<i>Managers and depositaries of investment funds, and operators of collective investment schemes or pension schemes</i>	6
A.10	<i>Firms dealing as principal</i>	6
A.13	<i>Advisors, arrangers, dealers or brokers</i>	4
A.14	<i>Corporate finance advisers</i>	4
A.18	<i>Home finance providers, advisers and arrangers (excluding home finance providers).</i>	4
A.19	<i>General insurance distribution</i>	4
A.21	<i>Holding client money or assets or both.</i>	4
A.23	<i>Carrying on funeral plan distribution</i>	4
A.23	<i>Carrying out a funeral plan contract as provider</i>	4
A.23	<i>Carrying out a funeral plan contract as provider and entering as provider into a funeral plan contract</i>	6
B.	<i>Regulated benchmark administrators where the applicant intends to administer a non-significant benchmark</i>	4
B.	<i>Service companies</i>	6
B.	<i>Regulated benchmark administrators where the applicant intends to administer: -a significant benchmark; or</i>	6

Activity grouping	Description	Applicable pricing category in FEES 3 Annex 1AR
	-a <i>commodity benchmark</i> or an <i>interest rate benchmark</i> which has not been designated as a <i>critical benchmark</i> ; or -a <i>regulated-data benchmark</i> other than one which is a <i>non-significant benchmark</i> .	
B.	<i>MTF operators</i> and <i>OTF operators</i>	8
B.	<i>Regulated benchmark administrators</i> where the applicant intends to administer a <i>critical benchmark</i>	8
CC1	<i>Credit-related regulated activity – limited permission</i>	2
	<i>Not-for-profit debt advice body</i>	No fee payable
CC2	(1) <i>Credit broking</i> ; (2) <i>Providing credit information services</i> ; (3) <i>Advising on regulated credit agreements for the acquisition of land</i> ; (4) <i>Debt adjusting</i> where limited to: (i) <i>no debt management plans</i> ; (ii) <i>settlement sale of goods</i> ; or (iii) <i>settlement vehicle finance</i> . (5) <i>Debt counselling</i> where limited to: (i) <i>no debt management plans</i> ; (ii) <i>settlement sale of goods</i> ; or (iii) <i>settlement vehicle finance</i> .	3
	(1) <i>Debt administration</i> ; (2) <i>Debt collecting</i> ; (3) <i>Entering into a regulated consumer hire agreement as owner</i> ; (4) <i>Entering into a regulated credit agreement as lender</i> (excluding in relation to <i>high-cost short-term credit</i> , <i>bill of sale loan agreements</i> and <i>home credit loan agreements</i>); (5) <i>Exercising, or having the right to exercise, the owner’s rights and duties under a regulated consumer hire agreement</i> ; (6) <i>Exercising, or having the right to exercise, the lender’s rights and duties under a regulated credit agreement</i> (excluding in relation to <i>high-cost short-term credit</i> , <i>bill of sale loan agreements</i> and <i>home credit loan agreements</i>);	5

Activity grouping	Description	Applicable pricing category in FEES 3 Annex 1AR
	(7) <i>Operating an electronic system in relation to lending.</i>	
CC.2	(1) <i>Debt adjusting</i> except where limited to: (i) no <i>debt management plans</i> ; (ii) settlement sale of goods; or (iii) settlement vehicle finance. (2) <i>Debt counselling</i> except where limited to: (i) no <i>debt management plans</i> ; (ii) settlement sale of goods; or (iii) settlement vehicle finance. (3) <i>Entering into a regulated credit agreement as lender</i> in relation to <i>high-cost short-term credit, bill of sale loan agreements</i> and <i>home credit loan agreements</i> ; (4) Exercising, or having the right to exercise, the lender's rights and duties under a regulated credit agreement in relation to <i>high-cost short-term credit, bill of sale loan agreements</i> and <i>home credit loan agreements</i> ; (5) <i>Providing credit references.</i>	6
CMC	<i>Claims management companies</i> applying only for the permission of seeking out persons who may have a claim.	4
	<i>Claims management companies</i> applying for any other permission	6

[deleted]

[deleted]

[deleted]

[deleted]

[deleted]

[deleted]

Part 5 - Activity Groupings R

The activity group definitions are set out in FEES 4 Annex 1A.

Part 6 - Change of legal status

An application involving only a simple change of legal status for the purposes of FEES 3.2.7 R, FEES 3.2.7R (y), FEES 3.2.7R (za), FEES 3.2.7 R (zg) and FEES 3.2.7 R (zh) is from an applicant:

(1) which is a new legal entity intending to carry on the business, using the same business plan, of an existing *firm* with no outstanding regulatory obligations cancelling its *Part 4A permission* or authorisation or registration under the *Payment Services Regulations* or the *Electronic Money Regulations*, and

(2) which is to:

(a) have the same or narrower *permission*, scope of authorisation or registration under the

Payment Services Regulations or Electronic Money Regulations and the same branches (if any), as the firm;

(b) assume all of the rights and obligations in connection with any of the *regulated activities, payment services and electronic money* issuance carried on by the *firm*;

(c) continue the same compliance arrangements and compliant client asset and *client money* procedures, as the *firm*, subject to any changes required only as a result of the change of legal status;

(d) continue with a risk profile and arrangements for controlling and monitoring risk which will not be materially different from those of the *firm*; and

(e) have the individuals within the *firm* that are responsible for *insurance distribution activity* perform the same role for the applicant.

Part 7 - Change of legal status - sponsors fees

An application involving only a simple change of legal status for the purposes of FEES 3.2.7R Part 2(1)(b) is from an applicant:

(1) which is a new legal entity intending to carry on the business of an existing *sponsor* (as defined in the *listing rules*) in respect of which the *FCA* does not currently require, and is not proposing to require, remedial action relating to any aspect of its provision of *sponsor services*); and

(2) which (subject to any changes required only as a result of the change in legal status) is to:

(a) assume all of the rights and obligations in connection with any of the *sponsor activities* of the existing *sponsor* under the *listing rules*;

(b) make no changes to the systems and controls of the existing *sponsor* which ensure that the existing *sponsor* can carry out its role as *sponsor* in accordance with LR 8 (Sponsors: Premium listing);

(c) have the individuals within the existing *sponsor* that are engaged in the provision of *sponsor services* engaged in the same role for the applicant; and

(d) otherwise continue to comply in all respects with the criteria for approval as a *sponsor* set out in LR 8.6.5 R.

FCA pricing categories

Category	Price
Category 1	£250
Category 2	£500
Category 3	£1,000
Category 4	£2,500
Category 5	£5,000
Category 6	£10,000
Category 7	£25,000
Category 8	£50,000
Category 9	£100,000
Category 10	£200,000

Application and notification fees payable in relation to collective investment schemes, LTIFs, money market funds and AIFs marketed in the UK

Legislative provision	Nature and purpose of fee	Payable by	Applicable pricing category in FEES 3 Annex 1AR	Umbrella factor (note 1)
Part 1 [deleted]				
[deleted]	[deleted]	[deleted]	[deleted]	[deleted]
[deleted]	[deleted]	[deleted]	[deleted]	[deleted]
[deleted]	[deleted]	[deleted]	[deleted]	[deleted]
Part 2 Application fees payable for firms to be subject to <i>COLL</i>				
(1) Regulation 12 of the <i>OEIC Regulations</i> , application for order declaring a <i>scheme</i> to be an <i>ICVC</i>	On application for an order, where the <i>scheme</i> is a: <i>UCITS scheme</i> <i>Non-UCITS retail scheme</i> <i>Qualified investor scheme</i> <i>Long-term asset fund</i>	An applicant		2
			4	
			4	
			5	
			5	
(2) Section 242 of the <i>Act</i> , application for order declaring a <i>scheme</i> to be an <i>AUT</i>	On application for an order declaring a <i>scheme</i> to be an <i>AUT</i> , where the <i>scheme</i> is a:	An applicant		2
(3) Section 261C of the <i>Act</i> , application for order declaring a <i>scheme</i> to be an <i>ACS</i> , whether it is established as a <i>co-ownership scheme</i> or a <i>limited partnership scheme</i>	<i>UCITS scheme</i> <i>Non-UCITS retail scheme</i> <i>Qualified investor scheme</i> <i>Long-term asset fund</i>		4	
			4	
			5	
			5	
(1), (2) and (3) also apply to funds where an application is also made to be authorised under the <i>Money Market Funds Regulation</i>				

Legislative provision	Nature and purpose of fee	Payable by	Applicable pricing category in FEES 3 Annex 1AR	Umbrella factor (note 1)
Section 261C of the Act This section also applies to funds where an application is also made to be authorised under the <i>Money Market Funds Regulation</i>	On application for an order declaring a <i>scheme</i> to be an ACS, whether it is established as a <i>co-ownership scheme</i> or a <i>limited partnership scheme</i> , where the <i>scheme</i> is a:	An applicant		2
	<i>UCITS scheme</i>		4	
	<i>non-UCITS retail scheme</i>		4	
	<i>qualified investor scheme</i>		5	
	<i>Long-term asset fund</i>		5	
Section 272 of the Act	On application for an order declaring a <i>scheme</i> to be recognised where the <i>scheme</i> is:	An applicant		2
	a <i>non-UK AIF</i> or <i>AIF</i> equivalent to a <i>UK UCITS</i> , , <i>non-UCITS retail scheme</i> , a <i>qualified investor scheme</i> or a <i>long-term asset fund</i>		6	
	Where funds of any kind set out in Part 2 exist prior to 21 July 2018, a flat fee will be payable on an application for authorisation under the <i>Money Market Funds Regulation</i>		1	
Part 2A Application fees payable for firms applying for a UK AIF to be authorised under article 5 of the LTIF regulation				
Article 5 of the <i>LTIF regulation</i>	On application for an <i>AIF</i> to be authorised under the <i>LTIF regulation</i>	An applicant	5	2

Legislative provision	Nature and purpose of fee	Payable by	Applicable pricing category in FEES 3 Annex 1AR	Umbrella factor (note 1)
Part 2B Application fees payable for UK or non-EEA firms applying for authorisation under article 5 of the Money Market Funds Regulation				
Article 5 of the <i>Money Market Funds Regulation</i>	<i>UK AIF (apart from those authorised as a non-UCITS retail scheme, a qualified investor scheme or a long-term asset fund)</i>		2	
	<i>Non-UK AIF which is marketed in the UK</i>		3	
	<i>Non-UK AIF which is not marketed in the UK</i>		2	
	<i>Non-UK AIF which is not managed by an AIFM but is marketed in the UK</i>		3	
Part 3 (notifications) [deleted]				
Part 4 (Alternative Investment Funds: fees payable for making a notification to the FCA to market an AIF)				
Regulation 10 of the <i>AIFMD UK regulation</i>	Application for registration on the register of small registered <i>UK AIFMs</i>	the <i>AIFM</i>	3	N/A
Regulation 57 of the <i>AIFMD UK regulation</i>	On giving notice under regulation 57 of the <i>AIFMD UK regulation</i> – price payable per AIF	the <i>AIFM</i>	1	N/A
Regulation 58 of the <i>AIFMD UK regulation</i>	On giving notice under regulation 58 of the <i>AIFMD UK regulation</i> – price payable per AIF	the <i>AIFM</i>	1	N/A
Regulation 59 of the <i>AIFMD UK regulation</i>	On giving notice under regulation 59 of the <i>AIFMD UK regulation</i> – price payable per AIF	the <i>AIFM</i>	1	N/A
	The fees in this Part are payable in addition to any other authorisation application fees.			

Legislative provision	Nature and purpose of fee	Payable by	Applicable pricing category in FEES 3 Annex 1AR	Umbrella factor (note 1)
Part 5 (Administration fee for money market funds that exist prior to 21 July 2018 which need to apply for authorisation by the FCA by 21 January 2019)				
Article 4 of the <i>Money Market Funds Regulation</i>	On application by an existing money market fund which from 21 July 2018 seeks to be authorised under the <i>Money Market Funds Regulation</i>	21 July 2018	1	2

Notes:

1. For an *umbrella* the fee is multiplied by the factor shown in the final column of the table.

Application fees payable in connection with Recognised Investment Exchanges and Recognised Auction Platforms

Description of applicant	Applicable pricing category in FEES 3 Annex 1AR	Due date
Part 1 (UK recognised bodies)		
Applicant for recognition as a <i>UK RIE</i>	10	Date the application is made
Applicant for recognition as a <i>RAP</i> (payable in addition to any other application fee due under this part)	35,000	Date the application is made
[deleted]		
[deleted]		
Additional fees for a <i>UK RIE</i> applicant who proposes to:		
- offer safeguarding and administration services	8	Date the application is made
- use substantially new and untested information technology systems in the performance of its relevant functions	8	Date the application is made
Part 2 (ROIEs)		
Applicant for recognition as a recognised overseas investment exchange	9	Date the application is made
Additional fees for applicant who proposes to:		
- offer safeguarding and administration services	8	Date the application is made
- use substantially new and untested information technology systems in the performance of its relevant functions	7	Date the application is made

Application and administration fees in relation to listing rules [deleted]

Document vetting and approval fees in relation to listing and prospectus rules [deleted]

Fees payable by a BIPRU firm for a permission or guidance on its availability in connection with the BCD and/or CAD [deleted]

**Fees payable for a permission or guidance on its availability in
connection with the UK CRR [deleted]**

[deleted]

Part 1

Fees payable under the Payment Services Regulations, including for authorisation as an authorised payment institution, registration as a small payment institution, notification fees and fees for variation of authorisation and registration

Where an application involves a simple change of legal status as set out in ■ FEES 3 Annex 1 Part 6, the fee payable is 50% of the tariff that would otherwise be payable.

Where more than one fee is applicable to an application, the tariff payable is the highest of the applicable tariffs.

Application type for authorisation, registration and notification under Part 2 of the <i>Payment Services Regulations</i>	Applicable pricing category in FEES 3 Annex 1AR
(1) <i>small payment institution</i>	2
(2) <i>authorised payment institution</i> - where the applicant is applying for authorisation to provide <i>payment services</i> in paragraph(s) (f) (money remittance) and/or (g) (payment initiation services) and/or (h) (account information services) of Part 1 of Schedule 1 to the <i>Payment Services Regulations</i>	4
(2)(i) <i>registered account information service provider</i> - where the applicant is applying for registration to provide <i>payment services</i> in paragraph (h) (account information services) of Part 1 of Schedule 1 to the <i>Payment Services Regulations</i> only	3
(3) <i>authorised payment institution</i> - where the applicant is applying for authorisation to provide <i>payment services</i> in any one or more of paragraph(s):	5
(a) (enabling cash to be placed on payment account and all operations required for operating a payment account);	
(b) (enabling cash withdrawals from a payments account and all operations required for operating a payment account);	
(c) (execution of direct debts, payment transactions executed through a payment card or similar device, credit transfers);	
(d) (execution of payment transactions where the funds are covered by a credit line for the payment service user);	
(e) (issuing payments instruments or acquiring payment transactions)	
of Part 1 of Schedule 1 to the <i>Payment Services Regulations</i> .	

(4) *authorised payment institution* - where, at the time the application is made, the applicant intends to use *agents*

3 for each agent registered with the *FCA* at the time of application.

This fee is in addition to any fee due under paragraph (2) or (3) of this table.

(5) *authorised payment institution* - where, during the course of the *FCA* financial year (12 months ending 31 March), the *firm* notifies the *FCA* of any changes to the list of *agents* it has registered since authorisation

3 for each change notified to the *FCA* during the *FCA* financial year.

No fee is due under paragraph (5) if the total number of notifications to the *FCA* during the *FCA* financial year numbers 100 or less.

(6) A *person* (service provider) - where, during the course of the *FCA* financial year (12 months ending 31 March) that *person* notifies the *FCA* under regulation 38 of the *Payment Services Regulations* of its use of the limited network exclusion or the electronic communications exclusion

1

If the *FCA* determines that the claim for exemption is not valid and the business must apply for authorisation or registration, then the latest exemption charge paid by the business will be deducted from the relevant application fee.

[Note: If the *FCA* determines that the claim for exemption is not valid and the business must apply for authorisation or registration, then the latest exemption charge paid by the business will be deducted from the relevant application fee.]

(7) [deleted]

(8) The fees set out in paragraphs (8)(a), (b) and (c) are applicable to an *authorised payment institution* applying to vary its authorisation under regulation 5 of the *Payment Services Regulations* where the *authorised payment institution* is applying to increase the *payment services* that it is permitted to carry on. The fees in these paragraphs are irrespective of the number of agents the applicant has.

(a) If the *authorised payment institution* is authorised to carry on *payment services* in paragraphs (f), (g) or (h) of Part 1 of Schedule 1 to the *Payment Services Regulations* and is applying to extend its authorisation to include any one or more of the *payment services* in (a) to (e) of Part 1 of Schedule 1. 50% of 4

(b) If the *authorised payment institution* is authorised to carry on *payment services* in paragraphs (a) to (e) of Part 1 of Schedule 1 to the *Payment Services Regulations* and is applying to add one or more of the services in (a) and (f). 50% of 4

(c) If the *authorised payment institution* is authorised to carry on *payment services* in paragraphs (a) to (f) of Part 1 of Schedule 1 to the *Payment Services Regulations* and is applying to add one or both services in (g) and (h). 50% of 4

These charges are irrespective of the number of agents the applicant has.

(9) Variation of registration under regulation 13 of the *Payment Services Regulations* where the small payment institution is applying to increase the *payment services* that it is permitted to carry on. 50% of 2

Note: See FEES TP 17 for transitional provisions relating to fees payable for authorisation as an authorised payment institution or registration as a small payment institution under the *Payment Services Regulations* 2017 (SI 2017/752).

Special Project Fee for restructuring

- (1) R The Special Project Fee for restructuring (the SPFR) is only payable by a *person* in one of the following categories:
- (a) if that *person* falls within any of the A, B, CC1, CC2 and CMC fee-blocks (as defined in Part 1 of FEES 4 Annex 1AR; or
 - (b) if that *person* falls within fee-block G.3 or G.10 (as defined in FEES 4 Annex 11); or
 - (c) [deleted]
 - (d) [deleted]
 - (e) [deleted]
 - (f) if that *person* applies for the permission in MIFIDPRU 4.12.4R.
- (2) R The SPFR becomes payable by a *person* falling into (1)(a) or (b) if it engages in, or prepares to engage in, activity which involves it undertaking or making arrangements with a view to any of the following:
- (a) raising additional capital; or
 - (b) a significant restructuring of the *firm* or the *group* to which it belongs, including:
 - (i) mergers or acquisitions;
 - (ii) reorganising the *firm's group* structure;
 - (iii) *retribution*;
 - (iv) a significant change to the *firm's* business model; and
 - (v) a significant internal change programme.
 - (c) a scheme of arrangement under Part 26 of the Companies Act 2006 in respect of that *person*.
- (3) R No SPFR is payable under (2) if the transaction only involves the *firm* seeking to raise capital within the *group* to which it belongs.
- (4) R Where the transaction in (2) involves raising capital outside the *group* to which the *firm* belongs, any SPFR in relation to that transaction is only payable by the largest *firm* in that *group*. The largest *firm* is the one that pays the highest periodic fee in the *fee year* in which the bill is raised. For the purpose of the calculation in (9), all time spent and fees and disbursements incurred in relation to the *group* are added together.
- (5) R The definition of *group* is limited for the purposes of calculating the SPFR to *parent undertakings* and their *subsidiary undertakings*.
- (6) R The SPFR also becomes payable by any *person* falling into (1) if any of the following circumstances apply to it:
- (a) an *insolvency order* is in effect as respects the *person* or the *person* is being voluntarily wound up or steps are being taken for the making of an *insolvency order* or voluntary winding up of, or with respect to, the *person* by someone entitled to take such steps; or
 - (b) the Bank of England or the Treasury have exercised a stabilisation power in respect of the *person* under the Banking Act 2009.
- (7) R In (6):

	(a)	references to an <i>insolvency order</i> or winding up include the equivalent process in any jurisdiction outside the <i>United Kingdom</i> ; and
	(b)	references to an <i>insolvency order</i> include such an order made under the Banking Act 2009.
(7A)R		The <i>FCA</i> will levy its own SPFR separate to any levy issued by the <i>PRA</i> and this may be in relation to the same event or circumstance.
(8) R		No SPFR is payable to the <i>FCA</i> :
	(a)	if the amount calculated in accordance with (9) in relation to the regulatory work conducted by the <i>FCA</i> totals less than £50,000 in the case of an <i>FCA-authorized person</i> or £25,000 in the case of a <i>PRA-authorized person</i> ; or
	(b)	for time spent giving <i>guidance</i> to the <i>person</i> in relation to the same matter if the <i>FCA</i> has charged that <i>person</i> for that <i>guidance</i> .
(9) R		The SPFR for the <i>FCA</i> is calculated as follows:
	(a)	Determine the number of hours, or part of an hour, taken by the <i>FCA</i> in relation to regulatory work conducted as a consequence of the activities referred to in (2) or (6).
	(b)	Next, multiply the applicable rate in the table at (11) by the number of hours or part hours obtained under (a).
	(c)	Then add any fees and disbursements invoiced to the <i>FCA</i> by any <i>person</i> in respect of services performed by that <i>person</i> for the <i>FCA</i> in relation to assisting the <i>FCA</i> in performing the regulatory work referred to in (a).
	(d)	The resulting figure is the fee.
	(e)	The number of hours or part hours referred to in (a) are the number of hours or part hours as recorded on the <i>FCA</i> 's systems in relation to the regulatory work referred to in (a).
(10) R		The first column in the table at (11) sets out the relevant pay grades of those employed by the <i>FCA</i> and the second column sets out the hourly rates chargeable in respect of those pay grades.
(11) R		Table of <i>FCA</i> hourly rates:
	FCA pay grade	Hourly rate (£)
	Administrator	45
	Associate	75
	Technical Specialist	130
	Manager	145
	Any other person employed by the <i>FCA</i>	255
(11A) R		[deleted]

- (12) G The obligation to pay the SPFR is ongoing. Accordingly, there is no limitation on the number of times that the *FCA* may invoice a *person* for the SPFR in relation to the same events or circumstances referred to in (2) or (6). If the *FCA* does so, there is a single floor under (8)(a) and not a separate one for each instalment. Therefore, for example, if a *person* is subject to an administration order, the *FCA* may invoice the *person* on a periodic basis for all the related regulatory work, but may only do so once the total fee (including disbursements) equals 50,000.
- (13) G If the SPFR is payable, the full amount calculated under (9) is payable not just the excess over £50,000 or £25,000.
- (14) G The SPFR is a single fee. Therefore the SPFR may be payable under both (2) and (6). If it is payable under both, there is only a single floor under (8)(a), not two separate ones.

Fees payable under the Electronic Money Regulations, including for authorisation as an authorised electronic money institution, registration as a small electronic money institution or variation thereof and notification fees, in accordance with the Electronic Money Regulations

Authorisation, registration and variation fees payable

Application type for authorisation, registration, variation or notification under Part 2 of the <i>Electronic Money Regulations</i>	Applicable pricing category in FEES 3 Annex 1AR
(1) <i>small electronic money institution</i>	3
(2) <i>authorised electronic money institution</i>	5
(3) <i>electronic money institution</i> - where, at the time the application is made, the applicant intends to use <i>agents</i>	3 for each <i>agent</i> registered with the <i>FCA</i> at the time of application. This fee is in addition to any fees due under paragraph (1) or (2) of this table.
(4) <i>electronic money institution</i> - where, during the course of the <i>FCA</i> financial year (12 months ending 31 March), the <i>firm</i> notifies the <i>FCA</i> of any changes to the list of <i>agents</i> it has registered since its authorisation	3 for each change notified to the <i>FCA</i> during the <i>FCA</i> financial year. No fee is due under paragraph (4) if the total number of notifications to the <i>FCA</i> during the <i>FCA</i> financial year numbers 100 or less.
(5) An <i>authorised electronic money institution</i> applying to vary its authorisation under regulation 8 of the <i>Electronic Money Regulations</i> .	
(a) Subject to (5)(b) below, where the <i>authorised electronic money institution</i> is applying to vary its authorisation to increase the services that it can carry on.	50% of 5
(b) Where the <i>authorised electronic money institution</i> applies to vary its authorisation to provide one of both of the one or both of the <i>payment services</i> in paragraphs (g) and (h) of Part 1 of Schedule 1 to the <i>Payment Services Regulations</i> .	50% of 4
(6) A <i>small electronic money institution</i> applying for a variation of registration under regulation 12 of the <i>Electronic Money Regulations</i> .	50% of 3

Fees payable for registration as a CBTL firm under article 9 of the MCD Order

Application type	Applicable pricing category in FEES 3 Annex 1AR
(1)An applicant who, at the time of application, holds a <i>Part 4A permission</i> or <i>interim permission</i> and has not had a registration as a <i>CBTL firm</i> revoked under article 13 of the <i>MCD Order</i> .	1
(2)An applicant who, at the time of application, (a)does not hold a <i>Part 4A permission</i> or <i>interim permission</i> ; or (b)has previously held a registration as a <i>CBTL firm</i> which was revoked under article 13 of the <i>MCD Order</i>	2

Designated Credit Reference Agencies and Finance Platforms Fee

- (1) R The Designated Credit Reference Agencies and Finance Platform Fee (the "DCRFP") is only payable by a *designated credit reference agency* or a *designated finance platform*.
- (2) R The DCRFP becomes payable by a *person* falling into (1) if the *FCA* conducts regulatory work connected to:
- (a) breaches or potential breaches by that *person* of requirements under the *Small and Medium Sized Business (Credit Information) Regulations* or the *Small and Medium Sized Business (Finance Platform) Regulations*.
 - (b) whether the *person* has or may have committed an offence of misleading the *FCA* under regulation 34 of the *Small and Medium Sized Business (Credit Information) Regulations* or regulation 31 of the *Small and Medium Sized Business (Finance Platforms) Regulations*.
- (3) R A *person* falling into (1) is not required to pay the DCRFP if the amount calculated in accordance with (4) for the *FCA*'s regulatory work described at (2)(a) and/or (b) is less than £10,000.
- (4) R The DCRFP is calculated as follows:
- (a) Determine the number of hours, or partial hours, taken by the *FCA* in performing the regulatory work described at (2)(a) and/or (b).
 - (b) Use the table at FEES 3 Annex 9(11)R to determine the relevant pay grades of those employed by the *FCA* to perform the regulatory work described at (2)(a) and/or (b).
 - (c) Next, multiply the applicable pay grade rate in the table at FEES 3 Annex 9(11)R by the number of hours or part hours obtained under (a).
 - (d) Then add any fees and disbursements invoiced to the *FCA* by any *person* in respect of services performed by that *person* for the *FCA* in relation to assisting it in performing the regulatory work referred to in 2(a) and/or (b).
 - (e) The resulting figure is the DCRFP.
- The number of hours or partial hours referred to in (4)(a) are the number of hours or partial hours as recorded on the *FCA*'s systems in relation to the regulatory work referred to in (2)(a) and/or (b).
- (5) G The hourly rates chargeable for the *FCA* pay grades are set out in the table at FEES 3 Annex 9(11)R Special Project Fee for Restructuring.
- (6) G
- (a) The obligation to pay the DCRFP is ongoing. There is therefore no limit on the number of times that the *FCA* may invoice a *person* falling into (1) for the DCRFP for the same regulatory work described at (2)(a) and/or (b).
 - (b) If the *FCA* issues more than one invoice, there is a single floor under (3) and not a separate one for each instalment.
- (7) G If the DCRFP is payable, the full amount calculated under (4) is payable; not just the excess over £10,000.
- (8) G The *FCA* shall provide any *person* falling into (1) with written notice that it is performing regulatory work described at 2(a) and/or (b) which is likely to exceed £10,000 calculated in accordance with (4) as soon as is reasonably practicable.

PPI campaign fees

(1)	R	(1)	<p>A <i>firm</i> must pay a PPI campaign fee calculated in accordance with (2) if it has:</p> <ul style="list-style-type: none"> (a) reported over 100,000 <i>complaints</i> cumulatively under question 17(A) (payment protection insurance – advising, selling and arranging) of the complaints return form in DISP 1 Annex 1R; and (b) reported those <i>complaints</i> from 1 August 2009 up to and including 1 August 2015. <p>(2) The PPI campaign fee is calculated by multiplying the number of <i>complaints</i> cumulatively reported to the FCA under question 17(A) of DISP 1 Annex 1R for the <i>firm</i> from 1 August 2009 up to and including 1 August 2015 by £3.64.</p>
(2)	R	(1)	<p>A <i>firm's</i> PPI campaign fee will be a proportion of the total amount of costs the FCA has estimated it will incur in running the consumer communications campaign highlighting the introduction of the two-year PPI complaints deadline.</p> <ul style="list-style-type: none"> (2) <ul style="list-style-type: none"> (a) The FCA will invoice the PPI campaign fee in equal amounts over two years. (b) The FCA will invoice the first part of the fee during the <i>month</i> following FEES 3 Annex 10C coming into force and will invoice the second part one calendar year later. (3) The FCA will write to each <i>firm</i> that meets the test at FEES 3 Annex 10C(1)R(1) before sending out its first invoice, setting out: <ul style="list-style-type: none"> (a) the number of <i>complaints</i> reported to the FCA under question 17(A) of DISP 1 Annex 1R for that <i>firm</i> from 1 August 2009 up to and including 1 August 2015; and (b) the basis on which it has calculated the PPI campaign fee for that <i>firm</i>. (4) Any amounts raised that are in excess of the actual cost of the PPI consumer communications campaign will be refunded to fee payers under FEES 3 Annex 10C on a pro rata basis.
(3)	R		<p>References in this annex to question 17A in the complaints return form at DISP 1 Annex 1R are to that question as it existed on 1 August 2015, and to any corresponding question in previous versions of that form.</p>

Designated Credit Reference Agencies Fee

Guidance on fees due under FEES 3 Annex 1R, FEES 3 Annex 3R, FEES 3 Annex 8R, FEES 3 Annex 10R, FEES 3.2.7R(p), FEES 3.2.7R(s) and FEES 3.2.7R(ze)

Part 1 This Part applies to the following:

(1)

(a) FCA-*authorised persons*, PRA-*authorised persons* and *persons* seeking to become FCA-*authorised persons* or PRA-*authorised persons* that pay application fees under ■ FEES 3 Annex 1R, ■ FEES 3 Annex 3R, ■ FEES 3 Annex 8R and ■ FEES 3 Annex 10R; or

(b) a *firm* seeking a variation of its *Part 4A permission* which pays an application fee under ■ FEES 3.2.7R(p).

(2) The following table sets out *guidance* on how a *person* liable to pay both a fee mentioned in (1) above and also in ■ FEES 3.2.7R(ze) for the same transaction, should expect to be treated.

- | | |
|-----|---|
| (A) | The <i>person</i> is liable to pay the fees referred to in (1). However, it may also be liable to pay the Special Project Fee for restructuring set out in FEES 3.2.7R(ze), calculated in accordance with FEES 3 Annex 9. It is possible then for a person to have to pay two types of fees in respect of the same application. |
| (B) | Where the situation described in (A) arises, the FCA will consider whether to reduce or remit a fee under FEES 2.3 (Relieving Provisions). |

Part 2 The following table sets out *guidance* on how a *firm* is liable to pay a fee under both ■ FEES 3.2.7R(s) and ■ FEES 3.2.7R(ze) for the same transaction should expect to be treated.

(1) The transferor in *insurance business transfer schemes* is liable to pay the fee set out in ■ FEES 3.2.7R(s). However, it may also be liable to pay the Special Project Fee for restructuring set out in ■ FEES 3.2.7R(ze), calculated in accordance with ■ FEES 3 Annex 9. It is possible then for a firm to have to pay two types of fees in respect of the same *insurance business transfer scheme*.

(2) Where the situation described in (1) arises, the FCA will consider whether to reduce or remit a fee under ■ FEES 2.3 (Relieving Provisions).

UKLA transaction fees

Category	Fee payable (£)
A1	0
A2	2,000
A3	5,000
A4	15,000
A5	20,000
A6	50,000

For the purposes of FEES 3 Annex 12R:

Category A1 includes:

- (a) applying for eligibility for *listing of securities* under ■ LR 17; or
- (b) applying for eligibility for *listing of miscellaneous securities* under ■ LR 20; or
- (c) applying for eligibility for *listing of equity shares* where ■ LR 6.1.1R(1) or (2) applies; or
- (ca) applying for eligibility for *listing of equity shares* where ■ LR 21.2.5R(1) or (2) applies; or
- (cb) applying for eligibility for *listing of certificates representing shares* where ■ LR 21.6.13R(1) or (2) applies; or
- (d) [deleted]
- (e) applying for the approval of a material change to the published investment policy of a *closed-ended investment fund* under ■ LR 15.4.8R; or
- (f) [deleted]; or
- (g) applying for the approval of:
 - (i) a *supplementary prospectus*; or
 - (ii) *supplementary listing particulars*; or
 - (iii) a *securities note*; or
 - (iv) a *summary*;

Category A2 includes:

- (a) applying for the approval of:
 - (i) a *prospectus* in relation to *non-equity transferable securities*; or
 - (ii) a *registration document* in relation to *non-equity transferable securities*; or
 - (iii) *listing particulars* in relation to *non-equity transferable securities*;
- (b) where an *issuer* has a market capitalisation of less than £500 million:

- (i) applying for the approval of a *prospectus* in relation to *equity securities*; or
- (ii) applying for the approval of a *registration document* in relation to *equity securities*; or
- (iii) applying for the approval of *listing particulars* in relation to *equity securities*; or
- (iv) [deleted];
- (v) applying for the approval of a *universal registration document*; or
- (vi) applying for the approval of a *specified exempted document*;

(c) submitting a *circular* for approval; or

(d) where an *issuer* is a *closed-ended investment fund*:

- (i) applying for the approval of a *prospectus* in relation to *equity securities*; or
- (ii) applying for the approval of a *registration document* in relation to *equity securities*; or
- (iii) applying for the approval of *listing particulars* in relation to *equity securities*; or
- (iv) [deleted]; or
- (v) applying for the approval of a *universal registration document*;
- (vi) applying for the approval of a *specified exempted document*;

(e) [deleted]

Category A3 includes:

- (a) applying for eligibility for *listing of equity shares* under ■ LR 15; or
- (b) applying for eligibility for *listing of equity shares* under ■ LR 16A; or
- (c) applying for approval as a *sponsor* following a change in legal status;

Category A4 includes:

- (a) applying for eligibility for *listing of equity shares* under ■ LR 6; or
- (b) applying for eligibility for *listing of shares* under ■ LR 14; or
- (c) applying for eligibility for *listing of securities* representing certain *securities* under ■ LR 18; or
- (d) applying for eligibility for *listing of securities* under ■ LR 19; or
- (da) applying for eligibility for *listing of equity shares* under ■ LR 21; or
- (db) applying for eligibility for *listing of certificates representing shares* under ■ LR 21; or
- (e) applying for the approval of:
 - (i) a *prospectus* in relation to *equity securities*; or
 - (ii) a *registration document* in relation to *equity securities*; or
 - (iii) *listing particulars* in relation to *equity securities*;
- (f) applying for the approval of a *universal registration document*; or
- (g) applying for the approval of a *document* that includes a *mineral expert's report*; or
- (h) applying for approval as a *sponsor*; or

(i) applying for the approval of a *specified exempted document*;

Category A5 includes applying for the approval or review of a *document* in relation to a *significant transaction*; and

Category A6 includes applying for the approval or review of a *document* in relation to a *super transaction*.

Primary information providers (PIPs)

An application for approval as a *primary information provider* attracts a fee at Category 7 level as set out in ■ FEES 3 Annex 1AR.

Fees payable for registration as a credit rating agency, trade repository
or securitisation repository

Application type	Applicable pricing category in FEES 3 Annex 1AR
<i>Credit rating agency</i>	5
<i>Trade repository</i>	6
Third country <i>firm</i> seeking certification as a <i>credit rating agency</i>	4
Third country <i>firm</i> seeking recognition of a <i>trade repository</i>	5
<i>Securitisation repository</i>	6

Other FCA application fees

	Application type	Pricing category in FEES 3 Annex 1AR	Due date
1	Any person seeking an order under section 326(1) of the Act to become a <i>designated professional body</i>	6	30 days after the order is granted
2	Any applicant to be added to the list of designated investment exchanges	9	On or before the date the application is made
3	Any applicant for recognition as an <i>accredited body</i>	4	On or before the date the application is made
4	Any applicant for registration under regulation 14 of the <i>Risk Transformation Regulations</i> as a <i>protected cell company</i>	2	On or before the date the application is made
5	Applications under the <i>benchmarks regulation</i>		
	(a) recognition of an administrator in accordance with article 32 of the <i>benchmarks regulation</i>	5	On the date the application is made
	(b) endorsement of a <i>benchmark</i> or family of <i>benchmarks</i> in accordance with article 33 of the <i>benchmarks regulation</i>	3	On the date the application is made
6	Applications under the <i>DRS Regulations</i> in relation to <i>MiFID</i> and/or <i>MiFIR</i> and/or <i>MAR</i>		
	(a) Application for authorisation under regulation 7 of the <i>DRS Regulations</i> , or the operator of a <i>trading venue</i> seeking verification of their compliance with Title V of <i>MiFID</i> under regulation 8 of the <i>DRS Regulations</i> . The pricing categories in either (a)(i), (ii) or (iii) below apply		
	(i) Application to operate one <i>data reporting service</i> , plus 50% of the fee for each additional service applied for	6	On the date the application is made

	Application type	Pricing category in FEES 3 Annex 1AR	Due date
	(ii) Application to operate more than one data reporting services	50% of 6 for each additional service plus 6	
	(iii) Variation of an authorisation under regulation 12 of the <i>DRS Regulations</i>	50% of 6	
(b)	Application to connect to the <i>market data processor system</i> to provide reports directly to the <i>FCA</i> under <i>MiFIR</i> , subject to (b)(i) below	7	On the date the application is made
	(i) If a person has previously applied as stated in (d) and had been connected then no further fee is payable for any further applications		
(c)	Application to connect to the <i>market data processing system</i> to provide <i>markets data (other than transaction reports)</i> under <i>MAR 10</i> , subject to (c)(i) and (ii) below	6	On the date the application is made
	(i) If a <i>person</i> has previously applied as stated in (c) above and has been connected, then no further fee is payable for any further such applications in relation to reporting the same data		
	(ii) If a person has previously applied as stated in (c) above and makes a further application in relation to the provision of different data, then a separate fee is applicable for such an application	Category 6 fee for each application	On the date the application is made
7	An application for authorisation as a <i>third party verifier</i>	3	On the date the application is made

		Application type	Pricing category in FEES 3 Annex 1AR	Due date
(8)	(a)	An application for <i>approver permission</i> for the purposes of:	5	On the date the application is made
		(i) section 55NA(3)(a) of the <i>Act</i> (where that application is made by an <i>authorised person</i>); or		
		(ii) section 55NA(3)(b) of the <i>Act</i> (where that application is made by an applicant for <i>Part 4A permission</i> that has yet to be determined).	In respect of both the application for <i>Part 4A permission</i> and the application for <i>approver permission</i> , one fee is payable being the higher of: (i) 5; and (ii) the tariff applicable to the application for <i>Part 4A permission</i> set out in FEES 3 Annex 1AR.	
	(b)	An application to vary an <i>approver permission</i> already granted under section 55NA of the <i>Act</i> , by way of an extension to the scope of that permission for the purposes of section 55NA(5)(a) of the <i>Act</i> .	50% of 5	
	(c)	An application to:	No charge	
		(i) vary an <i>approver permission</i> by way of a reduction in the scope of that permission; or		
		(ii) cancel an <i>approver permission</i> ,		
		for the purposes of section 55NA(5)(a) of the <i>Act</i> .		

FCA Transaction Fees

	Application type	Pricing category in FEES 3 Annex 1AR	Due date
1	Any applicant for a certificate under <i>article 54</i> of the <i>Regulated Activities Order</i>	4	On or before the date the application is made
2	A transferor in an <i>insurance business transfer scheme</i> :		
	(a) <i>Insurance business transfer scheme</i> involving <i>long-term insurance business</i>	7	On or before the date any application is made for the appointment of a person as an <i>independent expert</i>
	(b) <i>Insurance business transfer scheme</i> not involving <i>long-term insurance business</i>	6	
	<p>[Note: for the purpose of this charge, an insurance business transfer scheme consists of a single transferor and a single transferee.</p> <p>Where a scheme is part of a single larger scheme, that larger scheme is treated as a single insurance business transfer scheme. If an insurance business transfer scheme includes more than one transferor, they are liable to pay the fee under column (2) jointly.]</p>		
4	<i>Regulated Covered Bonds</i>		
	(a) An issuer applying for registration of a <i>regulated covered bond</i> :		
	(i) When the assets in the asset pool will consist primarily of UK residential mortgages	7	On or before the date the application is made
	(ii) Any other application for registration	8	
	(c) An issuer who proposes to make a material change to the contractual terms of a regulated covered bond under RCB 3.5.4D	5	On or before the date the notification under RCB 3.5.4D is made
5	Validation Orders		
	Any applicant for FCA permission for an agreement to be enforced under section 28A(3)(a) and/or money paid or property transferred under an agreement to be retained under and agreement to be retained under sec-		

	Application type	Pricing category in FEES 3 Annex 1AR	Due date
	tion 28A(3)(b) of the Act is charged according to the total value of the agreements specified in the application. Payment must be made on or before the application is made.		
	Value of agreements		
	Up to £500,000	3	On or before the date the application is made
	Above £500,000 - £750,000	4	
	Above £750,000 - £1,000,000	5	
	Above £1,000,000-£7,500,000	6	
	Over £7,500,000	7	
6	Applications other than where the applicant is a <i>credit union</i> ,	1	On or before the date the application is made
	<ul style="list-style-type: none"> •in respect of controlled functions under the Senior Managers and Certification Regime (SMCR); or •by <i>principal firms</i> in respect of <i>controlled functions</i> for <i>appointed representatives</i> (CF(AR)), using the <i>Long Form A</i>, 		
	provided the application [i.e none of the above] does not form part of an application for <i>authorisation</i> , variation of permission or registration of an <i>appointed representative</i> .		

Fees for an application for variation of permission

The fee relevant to the application is due on or before the date the application is made.

Application type		Applicable pricing category in FEES 3 Annex 1AR
1	Reduction in the scope of the applicant's permissions and no other increases	N/A
Where the application is to increase permissions:		
2	Unless (4)-(11) applies, an application for a variation of <i>Part 4A permission</i> within:	
	(a) Fee-blocks A.1, A.3, A.4, A.5	Category 1
	(b) Any other fee-block	Category 2
3	The proposed new business falls within an activity group specified in FEES 4 Annex 1R within which the applicant does not already hold any permission	50% of the highest pricing category relevant to the application
4	The proposed new business falls within an activity group specified in FEES 3 Annex 1R within which the applicant does not already hold any permission	50% of the highest pricing category relevant to the application
5	Credit-related permissions	
	(a) Activity group CC1 – any applicant which already holds a limited permission and applies for:	
	(i) Another limited permission activity	No fee payable
	(ii) Any other credit-related permission	100% of highest pricing category relevant to the application.
	(b) Activity group CC2 – any applicant which already holds a permission within activity group CC2 and applies for another permission within CC2	50% of the highest pricing category
6	Any applicant in activity group A.1 which applies for the permissions of <i>meeting of repayment claims or managing dormant asset funds (including the investment of such funds)</i>	50% of the highest pricing category relevant to the application
7	Credit union applying to vary its permission for:	
	(a) credit-related activity	£50

Application type		Applicable pricing category in FEES 3 Annex 1AR
	(b) any other activity	£75
8	Simple change of legal status (see definition in FEES 3 Annex 1R Part 6)	50% of the highest pricing category relevant to the application
9	Application by <i>MTF</i> operator to become an <i>OTF</i> operator or an <i>OTF</i> operator to become an <i>MTF</i> operator	50% of Category 8
10	Notification of the intention of a <i>regulated benchmark administrator</i> to administer benchmarks additional to those included in its original application for authorisation	0

Chapter 4

Periodic fees

4.1 Introduction

Application

4.1.1 **R** This chapter applies to every *person* set out in **■ FEES 1.1.2R (2)**.

4.1.1A **R** A reference to *firm* in this chapter includes a reference to:

- (1) a *fee-paying payment service provider*;
- (2) a *CBTL firm*;
- (3) a *fee-paying electronic money issuer*;
- (4) a *recognised investment exchange*; and
- (5) a *data reporting services provider*.

Purpose

4.1.2 **G** The purpose of this chapter is to set out the requirements on *firms* and others to pay periodic fees and transaction reporting fees in certain circumstances.

Gibraltar-based firms

- 4.1.2** **R**
- (1) In accordance with **■ GEN 2.3** (General saving of the Handbook for Gibraltar), *rules or guidance* in **■ FEES 4** that immediately before *IP completion day* applied in relation to or in connection with Gibraltar will continue to apply after *IP completion day*. The exceptions to this provision are the fee rates set out in Part 1, Part 2, Part 2(a) and Part 2(b) of **■ FEES 4 Annex 2AR** and Part 5 of **■ FEES 4 Annex 11R**, which may change each *fee year*.
 - (2) The modifications that will continue to apply to Gibraltar-based firms (as defined in **■ GEN 2.3**) are:

Activity group	Percentage deducted from the tariff payable under FEES 4 Annex 2AR and FEES 4 Annex 11R applicable to the Gibraltar-based firm
A.1	10%
A.3	10%
A.4	10%

A.7	10%
A.9	10%
A.10	10%
A.13	10%
A.18	10%
A.19	50%
B. MTF and OTF operators	Not applicable
AP.0	100%
G.2	40%
G.3	40%
G.10	40%
Note 1	The modifications to fee tariffs payable by a Gibraltar-based firm apply only in relation to the relevant regulated activities of the firm which are carried on in the <i>United Kingdom</i> .
Note 2	The <i>FCA</i> minimum fees described in Part 2 of FEES 4 Annex 2AR and Part 5 of FEES 4 Annex 11R apply in full and the modifications in this FEES 4.1.2AR(2) do not apply to them.

Background

- 4.1.3 **G** Most of the detail of the periodic fees that are payable by *firms* is set out in ■ FEES 4 Annexes 1A to 11BR. ■ FEES 4 Annex 12 G and ■ FEES 4 Annex 13G provide guidance on the calculation of certain tariffs. Most of the provisions of the Annexes will vary from one *fee year* to another. Accordingly fresh ■ FEES 4 Annexes will come into force, following consultation, for each *fee year*.
- 4.1.4 **G**
 - (1) The periodic fees for *collective investment schemes* reflect the estimated costs to the *FCA* of considering proposals to change *regulated collective investment schemes*, maintaining up to date records about them, and related policy work.
 - (2) [deleted]
 - (3) The periodic fees for *fee-paying payment service providers, fee-paying electronic money issuers, CBTL firms, data reporting service providers and issuers of regulated covered bonds* are set out in ■ FEES 4 Annex 11R. This annex sets out the activity groups, tariff base, valuation dates and, where applicable, the flat fees due for these *firms*.
- 4.1.5 **G** The *Society of Lloyd's*, which has *permission*, has its own fee block.
- 4.1.6 **G** [deleted]

4.1.7

G

In the case of periodic fees for *firms*, fees are calculated individually for each *firm*, but they may be paid on a *group* basis, if the *group* so wishes.

4.2 Obligation to pay periodic fees

General

- 4.2.1** **R** A *person* shown in column (1) of the table in ■ FEES 4.2.11 R as the relevant fee payer must pay each periodic fee applicable to it, calculated in accordance with the provisions referred to in column (2) of the applicable table, as adjusted by any relevant provision in this chapter:
- (1) in full and without deduction (unless permitted or required by a provision in *FEES*); and
 - (2) on or before the date given in column (3) of that table, unless ■ FEES 4.2.10 R applies.
- 4.2.2** **G** A relevant fee payer will be required to pay a periodic fee for every year during which they have the status in column 1 of the table in ■ FEES 4.2.11 R (or in relation to collective investment schemes, for every year during which it is a regulated collective investment scheme) subject to any reductions or exemptions applicable under this chapter. If a *person* is the relevant fee payer for more than one status listed in column 1 of the table in ■ FEES 4.2.11 R (or in relation to collective investment schemes, the relevant fee payer for more than one regulated collective investment scheme) he will be required to pay a fee in relation to each.
- (2) [deleted]
- 4.2.2A** **G** A *recognised body* may also have obligations to pay fees to the *FCA* under other *rules* arising from legislation other than the *Act*.
- 4.2.3** **G** The *FCA* will issue invoices online at least 30 *days* before the dates on which payments fall due under ■ FEES 4.2.1 R.
- 4.2.3A** **R** If, in response to a request from a fee payer, the *FCA* issues a paper invoice, an administration charge of £50 per year will be added to the fee otherwise payable.
- 4.2.4** **R** [deleted]
- 4.2.4A** **R** [deleted]

4.2.5 **G** [deleted]

Modifications for persons becoming subject to periodic fees during the course of a fee year

4.2.6 **R** [deleted]

4.2.7 **R** [deleted]

4.2.7A **G** [deleted]

4.2.7B **R** [deleted]

4.2.7C **G** [deleted]

4.2.7D **R** [deleted]

4.2.7E **R**

- (1) (a) A *firm* (other than an *ICVC*, a, or an *issuer of regulated covered bonds*) which becomes authorised or registered, or whose *permission* and/or activities is extended, during the course of the *fee year* must pay a fee based on its projected valuation for the first twelve *months* of its new business.
- (b) This is the valuation provided by the *firm* in the course of its application or if not provided at that time, the valuation provided subsequently.
- (2) The calculation for the first year of *authorisation* or registration for:
 - (a) an *ICVC* is in ■ FEES 4 Annex 4R Part 1; and
 - (b) an *issuer of regulated covered bonds* is in ■ FEES 4 Annex 11R Part 4.

Calculating the fee in the firm's first year of authorisation

4.2.7F

R

(1)

Identify the tariff rate or rates which will be relevant to the *firm* as a result of its new or extended *permission*; and then

(2)

apply the formula $(A+B+C) \times D$, where:

A = the amount arrived at by applying the tariff rates to the *firm's* projected valuation for the first twelve *months* of its new business, as provided by it in accordance with FEES 4.2.7ER;

B = the A.0 minimum fee, unless already paid;

C = any fee that becomes due in AP.0 following the calculation of A; and

D = the number of calendar *months* (inclusive) between the calendar *month* during which the *firm* received its new or extended *permission* and the last calendar *month* of that *fee year* $\div 12$.

Calculating fees in the second fee-year where the firm received permission between 1 January and 31 March in its first fee year

4.2.7G

R

When a *firm* receives permission between 1 January and 31 March, its fee for the following *fee year* starting 1 April will be calculated from:

- (a) the projected valuation for the first twelve *months* of its new business that it provided in accordance with ■ FEES 4.2.7ER; or
- (b) an annualised figure based on actual data provided by 30 April in the *fee year* following obtaining its new or extended *permission*.

If the annualised tariff base figure provided under (b) is a cumulative measure like income, covering the full year, it must apply the formula $(A \div B) \times 12$, where:

A = the total income from the date the new or extended *permission* was obtained up to the *firm's* financial year end or 31 March (whichever is sooner) of its first *fee year*, calculated according to the relevant *rules*; and

B = the number of *months* in the period referred to in A.

Where the measure is not cumulative (e.g. the number of traders for fee-block A10), the *firm* must use the figure as at the *firm's* financial year end or 31 March (whichever is sooner) of its first *fee year*, calculated in accordance with the relevant *rules*. If trading has not commenced by the applicable date the figure is nil.

Calculating all other fees in the second and subsequent years of authorisation where a full year of tariff data is not available

- 4.2.7H** R If it can, a *firm* must provide data from a complete period (as specified in ■ FEES 4 Annex 1AR Part 5 or ■ FEES 4 Annex 11R Part 4) that begins on or after the date that the *firm* obtained the relevant permissions to which the tariff base relates.
- 4.2.7I** R If a *firm* does not have sufficient tariff data to enable the periodic fees calculation to be made in respect of that *fee year*, it must calculate an annualised figure based on actual data where possible. If the tariff base is a cumulative measure like income, covering the full year, it must apply the formula $(A \div B) \times 12$, where:

A = the total income from the date of authorisation up to the *firm's* financial year end or 31 December (whichever is sooner), calculated according to the relevant *rules*; and

B = the number of *months* in the period referred to in A.
- 4.2.7J** G For example, suppose the tariff data for a particular *permission* is based on income for the financial year ending during the calendar year ending 31 December before the relevant *fee year* starting the following April. A *firm* is authorised in October and its financial year ends in June. By April, it will not have been able to report on the basis of its financial year. The value of A would therefore cover the period from October to December and the value of B would be two i.e. November and December.

If the *firm* was authorised in June and its financial year ended in October, then the value of A would cover June to October and the value of B would be four i.e. July to October.
- 4.2.7K** R Where the measure is not cumulative (e.g. the number of traders for fee-block A10), the *firm* must use the figure relating to the valuation date specified in ■ FEES 4 Annex 1AR Part 5 (e.g. 31 December for A10). Table A sets out the reporting requirements for the key fee-blocks when full actual data is not available:

Table A: calculating tariff data for second and subsequent years of authorisation when full trading figures are not available

Fee-block	Tariff base	Calculation where trading data are not available
A1. Deposit acceptors	Average MELS for October - December	Use data available at 31 December or, if trading has not commenced by 31 December, use nil.
A2. Home finance providers and administrators	Number of relevant contracts entered into or being administered in the twelve months up to 31 December	Apply the formula $(A \div B) \times 12$ to arrive at an annualised figure.

A3. Insurers - general	Gross written premium for fees purposes (GWP) for the financial year ended in the calendar year ending 31 December and best estimate liabilities for fees purposes (BEL) valued at the end of the financial year	GWP – apply the formula $(A \div B) \times 12$ to arrive at an annualised figure. BEL – use data at valuation date or, if trading has not commenced by then, use nil.
A4. Insurers - life	Gross written premium for fees purposes (GWP) for the financial year ended in the calendar year ending 31 December and best estimate liabilities for fees purposes (BEL) valued at the end of the financial year	
A5. Managing agents at Lloyd's	Active capacity in respect of the underwriting year at the beginning of the period to which the fee relates	Not applicable.
A6. The Society of Lloyd's	Bespoke fee	Not applicable.
A7. Portfolio managers	Funds under management valued at 31 December	Use data as at 31 December or, if trading has not commenced by 31 December, use nil.
A9. Managers and depositaries of investment funds, and operators of collective investment schemes or pension schemes	Annual gross income for the financial year ended in the calendar year ending 31 December	Apply the formula $(A \div B) \times 12$ to arrive at an annualised figure.
A10. Firms dealing as principal	Number of traders as at 31 December	Use data as at 31 December or, if trading has not commenced by 31 December, use nil.
A13. Advisors, arrangers, dealers or brokers	Annual income for the financial year ended in the calendar year ending 31 December	Apply the formula $(A \div B) \times 12$ to arrive at the annualised figure
A14. Corporate finance advisers		
A18. Home finance providers, advisers and arrangers		
A19. General insurance distribution		
A21. Firms holding cli-	The highest amount of	The highest amount of

ent money or assets, or both	client money and the highest amount of <i>custody assets</i> held over the 12 months ending 31 December	client money and/or <i>custody assets</i> over the period between the date of <i>authorisation</i> and 31 December or, if trading has not started, use nil.
A.23	Annual income for the financial year ended in the calendar year ending 31 December	Apply the formula $(A \div B) \times 12$ to arrive at the annualised figure.
B. Market operators, MTF operators and OTF operators	Annual income for the financial year ended in the calendar year ending 31 December	Apply the formula $(A \div B) \times 12$ to arrive at the annualised figure.
B. Service companies	Annual income for the financial year ended in the calendar year ending 31 December	Apply the formula $(A \div B) \times 12$ to arrive at the annualised figure.
B. Regulated benchmark administrators	Annual income for the financial year ended in the calendar year ending 31 December	Apply the formula $(A \div B) \times 12$ to arrive at the annualised figure.
B. Recognised investment exchanges	Annual income for the financial year ended in the calendar year ending 31 December	Apply the formula $(A \div B) \times 12$ to arrive at the annualised figure.
B. Recognised auction platforms	Flat fee	Not applicable
B. Recognised overseas investment exchanges	Flat fee	Not applicable.
CC1. Credit-related regulated activities with limited permission	Annual income for the financial year ended in the calendar year ending 31 December	Apply the formula $(A \div B) \times 12$ to arrive at an annualised figure.
CC2. Credit related regulated activities		
G.2 Payment services institutions – deposit acceptors	See A1 deposit acceptors	
G.3. Large payment services institutions	Relevant income	Apply the formula $(A \div B) \times 12$ to arrive at an annualised figure.
G.4 Small payment institutions	Flat fee	Not applicable.
G.5 Other payment institutions	Relevant income	Apply the formula $(A \div B) \times 12$ to arrive at an annualised figure.
G.10 Large electronic money institutions	Average outstanding e-money over 12 months ending 31 December	Average over the period from authorisation to 31 December.
G.11 Small electronic money institutions	Flat fee	Not applicable.
G.15 Issuer of regulated covered bonds	Value as at 31 December	Not applicable.

G.20 Consumer buy-to-let (CBTL) lender	Flat fee	Not applicable.
G.21 CBTL adviser and arranger		

4.2.8 **R** For *payment services* and *electronic money issuance*, the adjustment only applies to the business to which the calculation made in **■ FEES 4.3.12A R** relates.

Fee payers ceasing to hold relevant status or reducing the scope of their permission after start of relevant period

4.2.9 **G** The *FCA* will not rebate or refund periodic fees if, after the start of the period to which they relate:

- (1) a fee payer ceases to have the status set out in column (1) of the table in **■ FEES 4.2.11 R**; or
- (2) a *firm* reduces its *permission* or *payment services* activities so that it then falls out of the fee-block previously applied to it;

(but see **■ FEES 2.3** (Relieving Provisions) and **■ FEES 4.3.13 R** (Firms Applying to Cancel or Vary Permission Before Start of Period)).

Extension of Time

4.2.10 **R** A *person* need not pay a periodic fee on the date on which it is due under the relevant provision in **■ FEES 4.2.1 R**, if:

- (1) that date falls during a period during which circumstances of the sort set out in **■ GEN 1.3.2 R** (Emergencies) exist, and that *person* has reasonable grounds to believe that those circumstances impair its ability to pay the fee, in which case he must pay it on or before the fifth *business day* after the end of that period; or
- (2) unless **■ FEES 4.3.6R (3)**, **■ FEES 4.3.6R (4)** or **■ FEES 4.3.6R (4A)** (Time and method for payment) applies, that date would otherwise fall on or before the 30th *day* after the date on which the *FCA* (in its own capacity or in its capacity as collection agent for the *PRA*) has sent written notification to that *person* of the fee payable on that date, in which case he must pay on or before the 30th *day* after the date on which the *FCA* sends the notification.

4.2.11 **R** Table of periodic fees payable to the *FCA*

1 Fee payer	2 Fee payable	3 Due date	4 Events occurring during the period leading to modified periodic fee
Any <i>firm</i> (except an <i>ICVC</i>)	As specified in FEES 4.3.1 R in relation to FEES 4 Annex 2AR and FEES 4 Annex 11 R	(1) Unless (2) applies, on or before the relevant dates specified in FEES 4.3.6 R. (2) If an event specified in column 4 occurs during the course of a fee year, 30 days after the occurrence of that event, or if later the dates specified in FEES 4.3.6 R.	<i>Firm</i> receives <i>permission</i> , or becomes authorised or registered under the <i>Payment Services Regulations</i> , article 8 of the <i>MCD Order</i> , the <i>DRS Regulations</i> or the <i>Electronic Money Regulations</i> ; or <i>firm</i> extends <i>permission</i> or its <i>payment service</i> activities
<i>Persons</i> who hold a certificate issued by the <i>FCA</i> under article 54 of the <i>Regulated Activities Order</i> (Advice given in newspapers etc.)	£1,151	(1) Unless (2) applies, on or before 1 August or, if later, within 30 days of the date of the invoice (2) If an event in column 4 occurs,	Certificate issued to <i>person</i> by the <i>FCA</i> under article 54 of the <i>Regulated Activities Order</i>
Any <i>manager</i> of an <i>AUT</i> ;	In relation to each unit trust the amount specified in part 1 of FEES 4 Annex 4	during the course of a <i>fee year</i> , 30 days after the occurrence of that event.	<i>Authorisation order</i> is made in relation to the relevant <i>scheme</i>
Any <i>authorised fund manager</i> of an <i>authorised contractual scheme</i> ;	In relation to each <i>authorised contractual scheme</i> the amount specified in part 1 of FEES 4 Annex 4		
Any <i>ACD</i> of an <i>ICVC</i> ; and	In relation to each <i>ICVC</i> , the amount specified in part 1 of FEES 4 Annex 4		
<i>Persons</i> who, under the constitution or founding arrangements of a <i>recognised scheme</i> , are responsible for the management of the property held for or	In relation to each <i>recognised scheme</i> the amount specified in part 1 of FEES 4 Annex 4	The relevant <i>scheme</i> becomes a <i>recognised scheme</i>	Not applicable

1 Fee payer	2 Fee payable	3 Due date	4 Events occurring during the period leading to modified periodic fee
<p>within the scheme; <i>UK AIFM of an LTIF</i></p>	<p>In relation to each <i>LTIF</i> the amount specified in part 1 of FEES 4 Annex 4</p>	<p>(1) Unless (2) applies, on or before 1 August or, if later, within 30 days of the date of the invoice. (2) If an event in column 4 occurs during the course of a <i>fee year</i>, 30 days after the occurrence of that event.</p>	<p>The <i>LTIF</i> is authorised by the <i>FCA</i> under the <i>LTIF Regulation</i></p>
<p><i>Designated professional body</i></p>	<p>FEES 4 Annex 5</p>	<p>On or before the relevant dates specified in FEES 4.3.6 R</p>	<p>Not applicable</p>
<p><i>UK recognised body</i></p>	<p>FEES 4 Annex 6, part 1 for a <i>UK RIE</i>; and FEES 4 Annex 6R, part 1A for a <i>UK RIE</i> that is also a <i>RAP</i></p>	<p>(1) On or before the relevant dates specified in FEES 4.3.6 R (2) If the event in column 4 occurs during the course of a <i>fee year</i>, 30 days after the occurrence of that event</p>	<p><i>Recognition order</i> is made. The modified periodic fee is specified in FEES 4 Annex 6 R, Part 1.</p>
<p><i>ROIE</i></p>	<p>FEES 4 Annex 6, part 2</p>	<p>(1) On or before the relevant dates specified in FEES 4.3.6 R (2) If the event in column 4 occurs during the course of a <i>fee year</i>, 30 days after the occurrence of that event.</p>	<p><i>Recognition order</i> is made. The modified periodic fee is specified in FEES 4 Annex 6, Part 2.</p>
<p><i>A listed issuer (in LR) of shares and certificates representing certain securities.</i></p>	<p>FEES 4 Annex 14R</p>	<p>Within 30 days of the date of the invoice</p>	<p><i>Listed issuer (in LR)</i> becomes subject to <i>listing rules</i></p>

1 Fee payer	2 Fee payable	3 Due date	4 Events occurring during the period leading to modified periodic fee
A <i>sponsor</i>	FEES 4 Annex 14R	Within 30 <i>days</i> of the date of the invoice	Approval of a <i>sponsor</i>
All non-listed <i>issuers</i> (in <i>DTR</i>) of <i>shares</i> and <i>certificates representing certain securities</i> .	FEES 4 Annex 14R	Within 30 <i>days</i> of the date of the invoice	Non-listed <i>issuer</i> (in <i>DTR</i>) becomes subject to <i>disclosure requirements</i> and <i>transparency rules</i>
Any <i>primary information provider</i>	FEES 4 Annex 14R	Within 30 <i>days</i> of the date of the invoice	A <i>person</i> is approved as a <i>primary information provider</i>
All <i>firms</i> reporting transactions in <i>securities derivatives</i> to the <i>FCA</i> in accordance with <i>SUP 17</i> , and <i>market operators</i> who provide facilities for trading in <i>securities derivatives</i> .	FEES 4 Annex 9 R	Within 30 <i>days</i> of the date of the invoice	Not applicable
Any <i>issuer</i> of a <i>regulated covered bond</i> .	1 R	(1) Unless (2) applies, on or before the relevant dates specified in FEES 4.3.6 R (2) If an event specified in column 4 occurs during the course of a <i>fee year</i> , 30 <i>days</i> after the occurrence of that event or, if later, the dates specified in FEES 4.3.6 R	A <i>person</i> becomes registered as an <i>issuer</i> of a <i>regulated covered bond</i>
(i) A <i>non-UK AIFM</i> which has notified the <i>FCA</i> of its intention to market an <i>AIF</i> in the <i>UK</i> under regulation 59 of the <i>AIFMD UK regulation</i> and which has not ceased to mar	For each notification made by the <i>AIFM</i> of the kind specified in part 2 of FEES 4 Annex 4, the amount specified in part 2 of FEES 4 Annex 4	(1) Unless (2) applies, on or before 1 August, or, if later, within 30 <i>days</i> of the date of the invoice (2) If an event in column 4 occurs during the course of a finan-	The <i>FCA</i> receives a notification to market in the <i>UK</i>

1 Fee payer	2 Fee payable	3 Due date	4 Events occurring during the period leading to modified periodic fee
<p>ket that <i>AIF</i> in the <i>UK</i> as at 1 April of the current <i>fee year</i>.</p> <p>(ii) non-<i>UK AIFM</i> which has notified the <i>FCA</i> of its intention to market an <i>AIF</i> in the <i>UK</i> under regulation 58 or 59 of the <i>AIFMD UK regulation</i> and which has not ceased to market that <i>AIF</i> in the <i>UK</i> as at 1 April of the current <i>fee year</i>.</p> <p><i>A small registered UK AIFM</i></p>	<p>The basic fee contained in part 3 of FEES 4 Annex 4</p>	<p>cial year, 30 days after the occurrence of that event</p>	<p>The <i>AIFM</i> is registered by the <i>FCA</i> under regulation 10 of the <i>AIFMD UK regulation</i>. [deleted]</p>
<p><i>A third country legal representative</i></p>	<p>The tariff specified in FEES 4 Annex 15R</p>	<p>Payable in accordance with FEES 4.3.6R</p>	<p>Not applicable</p>
<p><i>A benchmark endorser</i></p>	<p>The tariff specified in FEES 4 Annex 15R</p>	<p>Payable in accordance with FEES 4.3.6R</p>	<p>Not applicable</p>
<p>Any <i>UK-based firm</i> registered as a <i>credit rating agency</i>; a <i>trade repository</i>; a <i>securitisation repository</i> or any third country <i>firm</i> certified as a <i>credit rating agency</i> or recognised as a <i>trade repository</i>.</p>	<p>The tariff specified in FEES 4 Annex 16R</p>	<p>Within 30 days of the date of the invoice</p>	<p>Not applicable</p>
<p><i>Proxy advisor</i></p>	<p>FEES 4 Annex 11R</p>	<p>Within 30 days of the date of the invoice</p>	<p>Not applicable</p>

Note: *Sponsors* on the list of approved *sponsors* as at 1 April each year will be liable for the full year's annual fee unless ■ FEES 4.3.13 R applies.

4.2.11A R

4.3 Periodic fee payable by firms (other than AIFM qualifiers, ICVCs and UCITS qualifiers)

4.3.1 **R** The periodic fee payable by a *firm* (except an *AIFM qualifier*, *ICVC* or a *UCITS qualifier*) is:

- (1) each periodic fee applicable to it calculated in accordance with
 - FEES 4.3.3 R, using information obtained in accordance with
 - FEES 4.4; plus
- (1A) any periodic fee applicable to it calculated in accordance with
 - FEES 4.3.3A R using information relating to its *UK* business obtained in accordance with ■ FEES 4.4 (or by other means in the case of the Bank of England); less
- (2) any deductions from the periodic fee specified in Part 2 of
 - FEES 4 Annex 2AR or Part 7 of ■ FEES 4 Annex 11R.

4.3.2 **G** (1) The amount payable by each *firm* will depend upon the category (or categories) of *regulated activities* or *payment services* it is engaged in (fee-blocks) and whether it is issuing *electronic money*, and on the amount of business it conducts in each category (tariff base). The fee-blocks and tariffs are identified in ■ FEES 4 Annex 1AR (and guidance on calculating certain of the tariffs is at ■ FEES 4 Annex 12 G and ■ FEES 4 Annex 13G) while ■ FEES 4 Annex 2AR sets out the tariff rates for the relevant *fee year*. In the case of *firms* that provide *payment services* and/or issue *electronic money*, the relevant fee blocks, tariffs and rates are set out in ■ FEES 4 Annex 11R.

(2) [deleted]

Calculation of periodic fee for fee-paying payment service providers, CBTL firms, data reporting services providers and fee-paying electronic money issuers

4.3.3 **R** The periodic fee referred to in ■ FEES 4.3.1 R is (except in relation to the *Society*, *fee-paying payment service providers*, *CBTL firms*, *fee-paying electronic money issuers* and *data reporting services providers*) calculated as follows:

- (1) identify each of the tariffs set out in Part 1 of ■ FEES 4 Annex 2AR which apply to the business of the *firm* for the period specified in that annex;

- (2) for each of the applicable tariffs, calculate the sum payable in relation to the business of the *firm* for that period;
 - (3) add together the amounts calculated under (2);
 - (4) work out whether an A.0, or , CC.0 minimum fee is payable under Part 2 of ■ FEES 4 Annex 2AR and if so how much (except that that minimum fee is not payable again by a *firm* whose *permission* is extended if the fee was already payable before the extension);
 - (4A) work out whether an AP.0 FCA prudential fee is payable under Part 2 of ■ FEES 4 Annex 2AR and if so how much;
 - (4B) [deleted]
 - (5) add together the amounts calculated under (3), (4) and (4A) ; and
 - (6) apply any applicable payment charge specified in ■ FEES 4.2.4 R, provided that:
 - (a) for payment by direct debit, successful collection of the amount due is made at the first attempt by the *FCA* (in its own capacity and, if applicable, in its capacity as collection agent for the *PRA*); or
 - (b) for payment by credit transfer, the amount due is received by the *FCA* (in its own capacity and, if applicable, in its capacity as collection agent for the *PRA*) on or before the due date.
- [Note: Transitional provisions apply to ■ FEES 4.3.3R for *firms* in activity groups A.3 and A.4 – see ■ FEES TP 13]

Calculation of periodic fee for fee-paying payment service providers, CBTL firms, data reporting services providers (other than incoming data reporting services providers) and fee-paying electronic money issuers

4.3.3A **R** The periodic fee referred to in ■ FEES 4.3.1 R in relation to *fee-paying payment service providers, CBTL firms , data reporting services providers and fee-paying electronic money issuers* is calculated in accordance with ■ FEES 4 Annex 11 R.

Modification for firms with new or extended permissions

4.3.4 **G**

- (1) A *firm* which becomes authorised or registered during the course of a *fee year* will be required to pay a proportion of the periodic fee which reflects the proportion of the year for which it will have a *permission* or the right to provide particular *payment services* or the right to issue *electronic money*- see ■ FEES 4.2.5 G and ■ FEES 4.2.6 R.
- (2) Similarly a *firm* which extends its *permission* or its right to provide particular *payment services* so that its business then falls within additional fee blocks will be required to pay a further periodic fee under this section for those additional fee blocks, but discounted to reflect the proportion of the year for which the *firm* has the extended permission or *payment services* activity - see ■ FEES 4.2.6 R and ■ FEES 4.2.7 R.

(3) [deleted]

(4) [deleted]

Amount payable by the Society of Lloyd's

4.3.5 **R** The periodic fee referred to in ■ FEES 4.3.1 R in relation to the *Society* is specified against its name in ■ FEES 4 Annex 2AR .

Time of payment

4.3.6 **R**

(1) [deleted]

(1A) [deleted]

(1B) [deleted]

(1C) If a *person* meets either of the conditions in (1D) it must pay the *FCA* the fee in (1E).

(1D) A *person* meets the conditions referred to in (1C) if:

(a) its periodic fee for the previous *fee year* was at least £50,000 and it is:

- (i) an *FCA-authorised person*; or
- (ii) a *designated professional body*; or
- (iii) a *recognised investment exchange*; or
- (iv) a *regulated covered bond issuer*; or

(b) it is a *PRA-authorised person* and its combined *FCA* and *PRA* periodic fees for the previous *fee year* were at least £50,000.

(1E) The fee in (1C) is:

(a) an amount equal to 50% of the *FCA* periodic fee payable for the previous *fee year* by:

- (i) 1 April; or
- (ii) if later, within 30 days of the date of the invoice, in the *fee year* to which the sum due under ■ FEES 4.2.1R relates; and

(b) the balance of the *FCA* periodic fee due for the current *fee year* by:

- (i) 1 September; or
- (ii) if later, within 30 days of the date of the invoice, in the *fee year* to which that sum relates.

[**Note:** If the *firm* is a *PRA-authorised person* that meets the condition at ■ FEES 4.3.6R(1)(D)(b), the *firm* will also pay its *PRA* periodic fees in two tranches as specified in the Fees Part of the *PRA Rulebook* . The *FCA*, acting as the *PRA*'s collection agent, will collect these fees.]

(2) If the *firm's*, *designated professional body's*, *recognised investment exchange's*, or *regulated covered bond issuer's* periodic fee for the previous *fee year* was less than £50,000, it must pay the periodic fee

due in full by 1 August or, if later, within 30 days of the date of the invoice in the *fee year* to which that sum relates.

- (3) If a *firm* has applied to cancel its *Part 4A permission* in the way set out in ■ SUP 6.4.5 D (Cancellation of permission), or its status as a *payment institution* under regulation 10 of the *Payment Services Regulations* (Cancellation of authorisation) or as regulation 10 is applied by regulation 14 of the *Payment Services Regulations* (Supplementary provisions), or its status as an *electronic money issuer* under regulation 10 of the *Electronic Money Regulations* (Cancellation of authorisation) or as regulation 10 is applied by regulation 15 of the *Electronic Money Regulations* (Supplementary provisions), or its registration as a *CBTL firm* under article 13(c) of the *MCD Order* or its authorisation as a *data reporting services provider* under regulation 11 of the *DRS Regulations*, then (1C), (1D) and (1E) do not apply but it must pay the total amount due when the application is made.
- (4) If the *FCA* has exercised its *own-initiative powers* to cancel a *firm's Part 4A permission*, then (1C), (1D) and (1E) do not apply but the *firm* must pay the total amount due immediately before the cancellation becomes effective.
- (4A) If the *FCA* has cancelled a *firm's* authorisation or registration under regulation 10 of the *Payment Services Regulations* or regulation 10 of the *Electronic Money Regulations* or its registration under regulation 10 as applied by regulation 14 of the *Payment Services Regulations* or its registration under regulation 10 as applied by regulation 15 of the *Electronic Money Regulations*, or its registration under article 13 (except under article 13(c)) of the *MCD Order*, or its authorisation as a *data reporting services provider* under regulation 11 or 12 of the *DRS Regulations*, then (1C), (1D) and (1E) do not apply but the *firm* must pay the total amount due immediately before the cancellation becomes effective.
- (5) [deleted]
- (5A) [deleted]
- (6) Paragraphs (1C), (1D) and (1E) do not apply to any periodic fee in relation to a *firm's permission for operating a multilateral trading facility or operating an organised trading facility* and such a fee is not taken into account for the purposes of the split in (1E). Instead any fee for this *permission* is payable:
- (a) on 1 August; or
 - (b) 30 days from the date of the invoice in the case of a *firm* which receives *permission* to be *operating a multilateral trading facility* or to be *operating an organised trading facility* or whose *permission* is extended to include either activity in the course of the relevant financial year.
- (7) Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and the *person* falls within, as the case may be, (1C) or (2) and:

- (a) the annulment takes effect after 1 April or after the invoice referred to in (1E)(a)(ii) has been issued, then (1C), (1D) and (1E) do not apply, but the *person* must, where the annulment takes effect after 1 April but before 1 September, pay:
 - (i) an amount equal to 50% of the *FCA* periodic fee payable for the previous fee year on the date on which the annulment takes effect; and
 - (ii) the balance of the *FCA* periodic fee due for the current *fee year* by 1 September or, if later, within 30 *days* of the date of the invoice, in the *fee year* to which that sum relates; or
- (b) the annulment takes effect after 1 September or after the invoice referred to in (1E)(b)(ii) has been issued, then (1C), (1D) and (1E) do not apply, but the *person* must pay the total amount due on the date on which the annulment takes effect; or
- (c) the annulment takes effect after 1 August or after the invoice referred to in (2) has been issued, then (2) does not apply, but the *person* must pay the periodic fee in full on the date on which the annulment takes effect.

4.3.6A R

Groups of firms

4.3.7 R

A *firm* which is a member of a *group* may pay all of the amounts due from other *firms* in the same *group* under ■ FEES 4.2.1 R, if:

- (1) it notifies the *FCA* (in its own capacity and, if applicable, in its capacity as collection agent for the *PRA*) in writing of the name of each other *firm* within the *group* for which it will pay; and
- (2) it pays the fees, in accordance with this chapter, as a single amount as if that were the amount required from the *firm* under ■ FEES 4.2.1 R.

4.3.8 G

A notification under ■ FEES 4.3.7R (1) should be made in accordance with ■ SUP 15.7 (Form and method of notification).

4.3.9 G

If the payment made does not satisfy in full the periodic fees payable by all of the members of the *group* notified to the *FCA* under ■ FEES 4.3.7 R, the *FCA* (in its own capacity and, if applicable, in its capacity as collection agent for the *PRA*) will apply the sum received among the *firms* which have been identified in the notification given under ■ FEES 4.3.7R (1) in proportion to the amounts due from them. Each *firm* will remain responsible for the payment of the outstanding balance attributable to it.

4.3.10 G

If a *firm* pays its fees through an agent outside the scope of ■ FEES 4.3.7 R, the *firm* is responsible for ensuring that the *FCA* (in its own capacity and, if applicable, in its capacity as collection agent for the *PRA*) is informed that the sum being paid is for that *firm's* periodic fees.

4.3.11 G

[deleted]

4.3.12 **R** [deleted]

4.3.12A **R** [deleted]

Firms Applying to Cancel or Vary Permission Before Start of Period

4.3.13 **R** (1) If:

- (a) a *firm*:
 - (i) makes an application to vary its *permission* (by reducing its scope), or cancel it, in the way set out in **■** SUP 6.3.15D(3) (Variation of permission) and **■** SUP 6.4.5D (Cancellation of permission); or
 - (ii) applies to vary (by reducing its scope) or cancel its authorisation or registration (regulation 8 and 10(1) of the *Payment Services Regulations* including as applied by regulation 14 of the *Payment Services Regulations*); or
 - (iii) applies to cancel its authorisation or registration (regulation 10 and 12 of the *Electronic Money Regulations* including as applied by regulation 15 of the *Electronic Money Regulations*); or
 - (iv) applies for revocation of its registration under article 13(c) of the *MCD Order*; or
 - (v) applies to vary (by reducing its scope) or cancel its authorisation as a *data reporting services provider* under regulation 11 and 12 of the *DRS Regulations*; or
- (aa) an *issuer* makes an application for de-listing; or
- (ab) a *sponsor* notifies the *FCA* of its intention to be removed from the list of approved *sponsors*; and
- (b) the *firm, issuer or sponsor* makes the application or notification referred to in (a), (aa) or (ab) respectively, before the start of the *fee year* to which the fee relates;

■ FEES 4.2.1 R applies to the *firm* as if the relevant variation or cancellation of the *firm's permission* or authorisation or registration under the *Payment Services Regulations, MCD Order, DRS Regulations* or the *Electronic Money Regulations, de-listing or removal from the list of approved sponsors, took effect immediately before the start of the fee year* to which the fee relates.

(2) But (1) does not apply if, due to the continuing nature of the business, the variation, cancellation, de-listing or removal is not to take effect on or before 30 June of the *fee year* to which the fee relates.

4.3.13A **R**

4.3.14 **G** The due dates for payment of periodic fees are modified by **■** FEES 4.3.6R(3), **■** FEES 4.3.6R(4), **■** FEES 4.3.6R(4A) and FEES 4.3.4R(7), respectively where:

- (1) a *firm* has applied to cancel its:
 - (a) *Part 4A permission*; or
 - (b) its authorisation or registration under the *Payment Services Regulations* or the *Electronic Money Regulations*; or
 - (c) its registration as a *CBTL firm* under article 13(c) of the *MCD Order*; or
 - (d) authorisation under regulation 11 of the *DRS Regulations*; or
- (2) the *FCA* has exercised its:
 - (a) *own-initiative powers* to cancel a *firm's Part 4A permission*; or
 - (a) power to annul the cancellation or variation of a *person's Part 4A permission* under Schedule 6A to the *Act*; or
 - (b) powers under regulation 10 (Cancellation of authorisation), including as applied by regulation 14 (Supplementary provisions) of the *Payment Services Regulations* to cancel a *firm's* authorisation or registration under the *Payment Services Regulations*; or
 - (c) powers under regulation 10 (Cancellation of authorisation), including as applied by regulation 15 (Supplementary provisions) of the *Electronic Money Regulations* or regulation 11 of the *DRS Regulations*; or
 - (d) powers under article 13 (Revocation of registration), excluding article 13(c), of the *MCD Order*.

Firms acquiring businesses from other firms

- 4.3.15 **R** [deleted]
- 4.3.16 **R** (1) [deleted]
(2) [deleted]
(3) [deleted]
- 4.3.17 **R** (1) This *rule* applies if:
- (a) a *firm* (A)
 - (i) (A) acquires all or a part of the business of another *firm* (B), whether by merger, acquisition of goodwill or otherwise; and
 - (B) would be required to pay a periodic fee in the *fee year* in which the acquisition takes place; or
 - (ii) becomes authorised or registered as a result of another *firm's* (B) simple change of legal status (as defined in **FEES 3 Annex 1R Part 6**); and
 - (b) had that acquisition or simple change of legal status (or any associated cancellation) not taken place, a periodic fee would have been payable by B in that same *fee year*.

- (2) If, before the date of acquisition or simple change of legal status, B had paid any periodic fee that would have become payable by it in that *fee year*, ■ FEES 4.2.1R and ■ FEES 4.2.7ER to ■ FEES 4.2.7KR will not apply to A in relation to the business of B.
- (3) (a) If, before the date of acquisition or simple change of legal status, B had not paid any periodic fee that would have become payable by it in that *fee year*, ■ FEES 4.2.1R and ■ FEES 4.2.7ER to ■ FEES 4.2.7KR will apply to A in relation to the business of B.
 (b) Periodic fees that would have become payable in that *fee year* include those which may have been dis-applied under ■ FEES 4.3.13R.
- (4) Regardless of A’s valuation date:
 - (a) if the acquisition or simple change of legal status takes place before B’s valuation date, then A must report the tariff data for, and pay fees or levies on, the transferred business up to the date of the transfer; and
 - (b) if the acquisition or simple change of legal status takes place after B’s valuation date and B has not paid the relevant fees or levies, then the data should be reported and fees be paid by A as if the transfer had taken place immediately before the valuation (if B continues to be authorised, it should strip the transferred business out of its report).

Cancellation and variation of Part 4A permission under Schedule 6A

4.3.18 **G** The FCA will not refund periodic fees if, after the start of the period to which they relate, a *person’s Part 4A permission* is cancelled under Schedule 6A or the *person’s Part 4A permission* is varied, reducing its permission under Schedule 6A (but see ■ FEES 2.3 (Relieving Provisions)).

Effect on periodic fees of annulment of cancellation or variation of permission under Schedule 6A

4.3.19 **G** Schedule 6A to the Act sets out a procedure to enable the FCA to cancel or vary the *Part 4A permission* of a *person* who it appears to the FCA is not carrying on a *regulated activity*. Paragraph 5 of Schedule 6A to the Act sets out a procedure for annulment of cancellation or variation of *Part 4A permission* in specified circumstances. It is for the FCA to decide whether it is just and reasonable to annul the decision to cancel a *person’s* permission or vary the permission to reduce its scope. Where the FCA grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of *Part 4A permission* is treated as if it had never taken place. As a result of annulment, the periodic fees for the period during which the *person’s Part 4A permission* was cancelled or varied apply to the *person*.

4.4 Information on which fees are calculated

- 4.4.1** **R** A *firm* (other than the *Society*) must notify to the *FCA* (in its own capacity and, if applicable, in its capacity as collection agent for the *PRA*) the value (as at the valuation date specified in Part 5 of ■ FEES 4 Annex 1AR) of each element of business on which the periodic fee payable by the *firm* is to be calculated.
- 4.4.2** **R** A *firm* (other than the *Society*) must send to the *FCA* (in its own capacity and, if applicable, in its capacity as collection agent for the *PRA*) in writing the information required under ■ FEES 4.4.1 R as soon as reasonably practicable, and in any event within two *months*, after the date specified as the valuation date in Part 5 of ■ FEES 4 Annex 1AR in relation to fees payable to the *FCA* (or ■ FEES 4.2.7B R where applicable) unless ■ FEES 4.4.2AR applies.
- 4.4.2A** **R** If a *firm* is a UK Solvency II firm in activity group A.3 or A.4 and the *PRA* or the *FCA* has either:
- (1) not received the necessary tariff data on a timely basis in line with Part 3 and 5 of ■ FEES 4 Annex 1AR; or
 - (2) deemed the tariff data received to be incomplete or insufficiently reliable, by reference to a specific *firm* or across all or part of the activity group,
- the *FCA* may use tariff data from the previous reporting period for the periodic fees calculation.
- 4.4.2B** **R** For *firms* in activity group A.3 and A.4, if the data source specified in the applicable tariff base in Part 3 of ■ FEES 4 Annex 1AR is not available to the *PRA* or *FCA* for any reason and the same data is available to the *PRA* or *FCA* from an alternative source, the *FCA* may use that alternative source to calculate the tariff rates under ■ FEES 4 Annex 2AR.
- 4.4.3** **R** To the extent that a *firm* has provided the information required by this section as part of its compliance with another provision of the *Handbook*, it is deemed to have complied with the provisions of this section.
- 4.4.4** **G** In most cases a *firm* will provide the information required by this section as part of its compliance with the provisions of *SUP*. To the extent that the *FCA* does not obtain sufficient, or sufficiently detailed, information it may seek

this by using the general information gathering powers (see ■ SUP 2 (Information gathering by the FCA or PRA on its own initiative)).

4.4.5 **R** [deleted], except those provided on a *cross border services* basis.

4.4.6 **R** The obligations of a *firm* to supply information as set out in ■ FEES 4.4.1 R and ■ FEES 4.4.2 R do not apply in respect of any of its *payment services* business.

4.4.6A **R** Where the FCA grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the Act and on the date the annulment has effect the date for notification to the FCA referred to in ■ FEES 4.4.2R of the information on which a *person's* periodic fee is calculated has passed, the date for compliance referred to in ■ FEES 4.4.2R does not apply, but the *person* must comply with ■ FEES 4.4.1R and ■ FEES 4.4.2R within 2 *months* after the date on which the annulment takes effect.

Information relating to payment services and the issuance of electronic money

4.4.7 **D** A *fee-paying payment service provider* and a *fee-paying electronic money issuer* must notify to the FCA the value (as at the valuation date specified in Part 4 of ■ FEES 4 Annex 11) of each element of business on which the periodic fee (other than a flat fee) payable by the *firm* under ■ 1 R is to be calculated, including any *payment services* carried on by its *agents* from an establishment in the *United Kingdom*.

4.4.8 **D** A *firm* must send to the FCA in writing the information required under ■ FEES 4.4.7 D as soon as reasonably practicable, and in any event within two *months*, after the date specified as the valuation date in Part 4 of ■ FEES 4 Annex 11.

4.4.9 **D** To the extent that a *firm* has provided the information required by ■ FEES 4.4.7 D to the FCA as part of its compliance with another provision of the *Handbook*, it is deemed to have complied with the provisions of that direction.

FCA activity groups, tariff bases and valuation dates

Part 1

This table shows how the *FCA* links the *regulated activities* for which a *firm* has *permission* to activity groups (fee-blocks). A *firm* can use the table to identify which fee-blocks it falls into based on its *permission*.

Activity group	Fee payer falls in the activity group if:
A.1 Deposit acceptors	its <i>permission</i> includes <i>accepting deposits</i> or <i>operating a dormant asset fund</i> BUT DOES NOT include either of the following: <i>effecting contracts of insurance</i> ; <i>carrying out contracts of insurance</i> .
A.2 Home finance providers and administrators	its <i>permission</i> includes a <i>regulated activity</i> within one or more of the following: <i>entering into a home finance transaction</i> ; or <i>administering a home finance transaction</i> ; or <i>agreeing to carry on a regulated activity</i> which is within either of the above.
A.3 Insurers - general and UK ISPVs	its <i>permission</i> includes one or more of the following: - <i>effecting contracts of insurance</i> ; - <i>carrying out contracts of insurance</i> ; in respect of <i>specified investments</i> that are: - <i>general insurance contracts</i> ; or - <i>long-term insurance contracts other than life policies</i> OR it has <i>permission</i> to carry on <i>insurance risk transformation</i> .
A.4 Insurers - life	its <i>permission</i> includes one or more of the following: - <i>effecting contracts of insurance</i> ; - <i>carrying out contracts of insurance</i> ; in respect of <i>specified investments</i> including <i>life policies</i> .
A.5 Managing agents at Lloyd's	its <i>permission</i> includes <i>managing the underwriting capacity of a Lloyd's syndicate as a managing agent at Lloyd's</i> .
A.6 The Society of Lloyd's	it is the <i>Society of Lloyd's</i>
Note for authorised professional firms:	
Generally, for fee-blocks A.7 to A.19 below, only those <i>regulated activities</i> that are not limited to <i>non-mainstream regulated activities</i> should be taken into account in determining which fee-block(s) fee-payers belong to for the purpose of charging periodic fees. However, in the case that all the <i>regulated activity</i> within a <i>firm permission</i> are limited to <i>non-mainstream regulated activities</i> , then that <i>firms</i> will be allocated to fee-block A.13 alone. This does not prevent a fee being payable by an <i>authorised professional firm</i> under FEES 3.2.7 R and/or FEES 3.2.7A R(c) where it applies to vary its <i>Part</i>	

4A permission such that it would normally be allocated to fee-block(s) other than A.13 if the variation was granted.

A.7 Portfolio managers (1) its *permission* includes *managing investments* (a *firm* falling within this category is a class (1) *firm*);

OR

(2) its *permission* includes

ONLY either one or both of:

safeguarding and administering of investments (without arranging); and

*arranging safeguarding and administration of assets (a *firm* falling within this category is a class (2) *firm*);*

OR

(3) the *firm* is a *venture capital firm* (a *firm* falling within this category is a class (3) *firm* if it is not a class (1) or (2) *firm*).

OR

(4) its *permission* includes *managing an AIF* or *managing a UK UCITS* (a class 4 *firm*)

Note:

Class (1) firms are subdivided into three classes:

- **class (1)A**, where the funds managed by the *firm* belong to one or more *occupational pension schemes*;

- **class (1)B**, where:

(a) the *firm* is not a class (1)A *firm*; and

(b) the *firm* permission includes **NEITHER** of the following:

safeguarding and administering investments (without arranging);

*arranging safeguarding and administration of assets; and (c) the *firm* EITHER:*

*has a requirement that prohibits the *firm* from holding or controlling *client money*, or both; OR*

*if it does not have such a requirement, only holds or controls *client money* (or both), arising from an agreement under which *commission* is rebated to a *client*; and*

- **class (1)C**, where the *firm* is not within class (1)A or class (1)B.

A.9 Managers and depositaries of investment funds, and operators of collective investment schemes or pension schemes

(1) its *permission*:

(a) includes one or more of the following:

managing an AIF;

managing a UK UCITS

acting as trustee or depositary of an AIF;

acting as trustee or depositary of a UK UCITS establishing, operating or winding up a collective investment scheme;

*establishing, operating or winding up a personal pension scheme or a stakeholder pension scheme (but only if the *firm* does not fall within activity group A1 or A4);*

AND

(b) **PROVIDED** the *firm* is NOT one of the following:

OR

a corporate finance advisory firm;

A.10 Firms dealing as principal

a *firm* in which the above activities are limited to carrying out *corporate finance business*;

a *venture capital firm*;

a *firm* which would be a *venture capital firm* but for the inclusion of *managing an AIF* on its *permission*; but only where the firm is *managing an AIF* exclusively in respect of *AIFs* which only invest in *venture capital investments*.

OR

(2) if the fee-payer has none of the *regulated activities* above within its *permission*, but ALL the remaining *regulated activities* in its *permission* are limited to carrying out trustee activities.

its *permission* includes

(a) *dealing in investments as principal*; and/or

(b) *bidding in emissions auctions*;

BUT NOT if one or more of the following apply:

the *firm* is acting exclusively as a matched principal broker;

the above activity is limited either to *establishing, operating or winding up a collective investment scheme, establishing, operating or winding up a personal pension scheme or a stakeholder pension scheme*, or to carrying out *depository activities*;

the *firm* is a *corporate finance advisory firm*;

the above activity is otherwise limited to carrying out *corporate finance business*;

the *firm* is subject to a *limitation* to the effect that the *firm*, in carrying on this *regulated activity*, is limited to entering into transactions in a manner which, if the *firm* was an *unauthorised person*, would come within article 16 of the *Regulated Activities Order* (Dealing in contractually based investments);

the above activity is limited to not acting as a *market maker*;

the *firm* is an *oil market participant*, *energy market participant* or a local (except where the firm is *bidding in emissions auctions*);

the *firm* would be an *oil market participant* or *energy market participant* if it were not a *MiFID investment firm* (except where the firm is *bidding in emissions auctions*);

its *permission* includes either:

- *effecting contracts of insurance*; or

- *carrying out contracts of insurance*.

A.13 Advisors, arrangers, dealers or brokers

(1) it is an *authorised professional firm* and **ALL** the *regulated activities* in its *permission* are limited to non-mainstream regulated activities (a firm falling within this category is a *class (1) firm*);

OR

(2) its *permission*:

(a) includes one or more of the following:

(i) in relation to one or more *designated investments*:

dealing in investments as agent;

arranging (bringing about) deals in investments;

making arrangements with a view to transactions in investments;

dealing as principal in investments where the activity is carried on as a matched principal broker, *oil market participant*, *energy market participant* or *local*;

dealing as principal in investments where the activity is carried on by a firm that would be an oil market participant or energy market participant if it were not a MiFID investment firm;

advising on investments (except P2P agreements)

(except pension transfers and pension opt-outs);

giving basic advice on a stakeholder product;

advising on pension transfers and pension opt-outs;

advising on syndicate participation at Lloyd's;

(ii) advising on P2P agreements;

(iii) in relation to a structured deposit:

dealing in investments as agent; or

arranging (bringing about deals) in investments;

or making arrangements with a view to transactions in investments; or

advising on investments (except P2P agreements); or

advising on investments (except pension transfers and pension opt-outs);

(b) BUT NONE of the following:

effecting contracts of insurance; or

carrying out contracts of insurance;

AND

(c) PROVIDED the fee-payer is **NOT** any of the following:

a corporate finance advisory firm;

a firm for whom all of the applicable activities above are otherwise limited to carrying out corporate finance business;

a firm for whom all the applicable activities above are limited to carrying out venture capital business;

a firm for whom all the applicable activities above are limited to acting as a residual CIS operator;

a firm for whom all the applicable activities above are limited to acting as trustee or depositary of an AIF and/or acting as trustee or depositary of a UK UCITS a service company.

A firm falling within (2) and not (1) is a class 2 firm.

A.14 Corporate finance advisers

the firm is carrying on corporate finance business PROVIDED the fee-payer is NOT a venture capital firm.

A.18 Home finance providers, advisers and arrangers

its permission includes a regulated activity within one or more of the following:

entering into a home finance transaction; or

arranging (bringing about) a home finance transaction ; or

making arrangements with a view to a home finance transaction; or

advising on a home finance transaction; or

agreeing to carry on a regulated activity which is within any of the above.

A.19 General insur

its permission includes one or more of the following in relation to a non-investment insurance contract:

<p>ance distribution</p>	<p><i>dealing in investments as agent; or</i> <i>arranging (bringing about) deals in investments; or</i> <i>making arrangements with a view to transactions in investments; or</i> <i>assisting in the administration and performance of a contract of insurance; or</i> <i>advising on investments; or</i> <i>agreeing to carry on a regulated activity which is within any of the above.</i></p>
<p>A.21 Firms holding client money or assets, or both</p>	<p>(1) It is a <i>firm</i> carrying on a <i>regulated activity</i> defined in fee-block A.13; AND EITHER OR BOTH: (2A) It is a <i>firm</i> to which the <i>client money rules</i> apply AND/OR (2B) Its <i>permissions</i> includes <i>safeguarding and administration of assets (without arranging)</i> UNLESS CASS does not apply to that firm in accordance with CASS 1.2</p>
<p>A.22 Principal firms - appointed representatives</p>	<p>it is a <i>firm</i> that has <i>permission</i> to undertake any <i>regulated activity</i> and has appointed one or more <i>appointed representatives</i>.</p>
<p>A.23 Funeral plan intermediaries and funeral plan providers</p>	<p>Its permission includes one or more of the permissions referred to in FEES 3.2.7R Part 1 (zzh): (1) carrying on <i>funeral plan distribution</i>; (2) carrying out a <i>funeral plan contract as provider</i>; or (3) carrying out a <i>funeral plan contract as provider</i> and entering as provider into a <i>funeral plan contract</i>.</p>
<p>B. Service companies</p>	<p>it is a <i>service company</i>.</p>
<p>B. MTF and OTF operators</p>	<p>its <i>permission</i> includes <i>operating a multilateral trading facility</i> or operating an organised trading facility.</p>
<p>B. Regulated benchmark administrators</p>	<p>it has a <i>Part 4A permission</i> to carry on the <i>regulated activity</i> of <i>administering a benchmark</i>.</p>
<p>B. Recognised investment exchanges</p>	<p>it is a <i>recognised investment exchange</i>.</p>
<p>B. Recognised auction platforms</p>	<p>it is a <i>recognised auction platform</i>.</p>
<p>B. Recognised overseas</p>	<p>it is a <i>recognised overseas investment exchange</i>.</p>

investment exchanges

CC1. Credit-related regulated activities with limited permission

- it carries on *credit-related regulated activities*; and
- it has a *limited permission*; and
- it is not a *not-for-profit debt advice body*; and
- it is not a *credit union or community finance organisation*.

CC2. Credit-related regulated activities

- it carries on *credit-related regulated activities*; and
- it does not have a *limited permission*; and
- it is not a *not-for-profit debt advice body*; and
- it is not a *credit union or community finance organisation*.

CMC.

- it is a *claims management company*.

Part 2

This table sets out the activity groups (fee blocks) in relation to (i) the minimum fees payable to the FCA and (ii) the prudential fee payable to the FCA.

Activity group	Fee payer falls into the fee-block if
A.0 FCA minimum fee	(1) it is in at least one of the fee blocks under Part 1; and (2) it is not: (a) a <i>UK ISPV</i> ; or (b) a <i>firm</i> whose only <i>permission</i> is <i>operating a dormant asset fund</i> ; or (c) a <i>firm</i> exclusively carrying on <i>credit-related regulated activities</i> .
AP.0 FCA prudential fee	(1) it is an <i>FCA authorised person</i> other than an <i>FCA authorised person</i> carrying on <i>credit-related regulated activities with limited permission</i> ; and (2) the periodic fee it pays to the FCA is not limited to the A.0 FCA minimum fee.

Part 3

This table indicates the tariff base for each fee-block set out in Part 1.

The tariff base in this Part is the means by which the FCA measures the amount of business conducted by a *firm* for the purposes of calculating the annual periodic fees payable to the FCA by that *firm*.

Activity group	Tariff base
A.1	<p>MODIFIED ELIGIBLE LIABILITIES</p> <p>For <i>banks and building societies</i>:</p> <p>Item B of Form ELS (Note (1)):</p> <p>(1 + 2 + 3 + 4 + 0.6*5 + 6 - 8 - 9A - 9B - 10A - 10B - 10C - 11A - 11B - 0.6*12) + (1/3)*(F1 + F2 + F3 + F4 + 0.6*F5 + F6 - F8 - F9A - F9B - F10A - F10B - F10C - F11A - F11B - 0.6*F12)</p> <p>- 13M</p> <p>Notes:</p>

(1) All references in the above formula are to entries on Form ELS (that is, the Eligible Liabilities Return completed to provide information by *banks* and *building societies* to the Bank of England as required by the Bank of England Act 1998).

(2) The figures reported on the Form ELS relate to business conducted out of offices in the *United Kingdom*.

For credit unions:

Deposits with the *credit union* (share capital)

LESS

the *credit union's* bank deposits (investments + cash at bank)

Note:

Only *United Kingdom* business is relevant for calculating *credit unions'* MELs.

Note:

For a *dormant asset fund operator* the tariff base is not relevant and the flat fee in FEES 4 Annex 2A R is payable.

A.2

NUMBER OF HOME FINANCE TRANSACTIONS ENTERED INTO AND ADMINISTERED

The number of *newhome finance transactions* entered into;

AND

The number of *home finance transactions* being administered:

(a) multiplied by 0.05 for *firms with permission for administering a home finance transaction* but not *permission for entering into a home finance transaction*; or

(b) by 0.5 for all other *firms*.

Notes:

(1)[deleted]

(2) For the measure of the number of contracts being administered, each charge counts as one contract, irrespective of the number of loans involved.

(3) *Home finance transactions* administered include those that the *firm* administers on behalf of other *firms*.

A.3

GROSS WRITTEN PREMIUM FOR FEES PURPOSES AND BEST ESTIMATE LIABILITIES FOR FEES PURPOSES

Gross written premium for fees purposes means:

(1) for UK Solvency II firms, a *firm's* gross written premium as reported to the *PRA*, being the total of items entered under row codes R0110, R0120 and R0130, as expressed in column code C0200 where this column is completed for those row codes of the annual quantitative reporting template S.05.01.01; and

(2) [deleted]

(3) for *non-directive firms*, a *firm's* gross premium written as reported to the *PRA* under item 11 of form 11, or where this is not reported because the *firm* is a *Swiss general insurer* or holds a relevant *waiver* given by the *PRA* under the *PRA Rulebook*, the entry at sheet 1, line 1, column 1, of form 20A, or where the *firm* is a *friendly society*, the income and expenditure account entry for gross premium written or contributions as income receivable, as appropriate under the Friendly Societies (Accounts and Related Provisions) Regulation 1994 (SI 1994/1983).

AND

Best estimate liabilities for fees purposes means:

(1) for UK Solvency II firms, a *firm's* best estimate liabilities as reported to the *PRA*, being the sum of items entered under row codes R0010, R0370, R0380, R0410 and R0420, column code C0180, of the annual quantitative reporting template S17.01.01; plus the

sum of items entered under row codes R0010, R0030, column codes C0090, C0140 and C0190, of the annual quantitative reporting template S12.01.01; and

(2) [deleted]for *incoming EEA firms or incoming Treaty firms*, a *firm's* best estimate liabilities as reported to their *Home State regulator*, being the sum of items entered under row codes R0010, R0370, R0380, R0410 and R0420, column code C0180, of the annual quantitative reporting template S17.01.01; plus the sum of items entered under row codes R0010, R0030, column codes C0090, C0140 and C0190, of the annual quantitative reporting template S12.01.01 but only in relation to the *regulated activities* of the *firm* which are carried on in the *United Kingdom*, except those provided on a *cross border services* basis; and

(3) for *non-directive firms*, a *firm's* total gross technical provisions as reported to the *PRA* under item 19 of form 15, or where this is not reported because the *firm* is a *marine mutual*, item 29 of form M2, or where the *firm* is a *friendly society*, the balance sheet entry C3 'claims outstanding' where this entry is required under the Friendly Societies (Accounts and Related Provisions) Regulations 1994 (SI 1994/1983); and otherwise zero.

'Annual quantitative reporting template' has the meaning given in Fees Chapter 1 Application and Definitions of the *PRA Rulebook*.

'Corporate pension business' has the meaning given in Fees Chapter 1 Application and Definitions of the *PRA Rulebook*.

'UK Solvency II firm' has the meaning given in Insurance General Application 2 of the *PRA Rulebook*.

Notes:

(1) The recovery of the *FCA's* annual funding requirement allocated to the A.3 fee-block will be weighted:

- (a) 90% from gross written premium for fees purposes; and
- (b) 10% from best estimate liabilities for fees purposes.

(2) This tariff base (A.3 fee-block) does not include gross written premium for fees purposes and best estimate liabilities for fees purposes on which a *composite firm* reports data relevant for fee-block A.4.

(3) Where any figure used in the calculation of this tariff base is a negative number, it shall instead be deemed to be zero.

(4) For *UK ISPVs* this tariff base is not relevant and a flat fee set out in FEES 4 Annex 2AR is payable.

A.4 GROSS WRITTEN PREMIUM FOR FEES PURPOSES AND BEST ESTIMATE LIABILITIES FOR FEES PURPOSES (see FEES 4 Annex 12 G)

Gross written premium for fees purposes means:

(1)

for UK Solvency II firms, a *firm's* gross written premium as reported to the *PRA*, being the item entered under row code R1410, column code C0300 of the annual quantitative reporting template S05.01.01 minus corporate pension business as reported to the *PRA* under the annual quantitative reporting template S14.01.01.

AND

Best estimate liabilities for fees purposes means:

for UK Solvency II firms, a *firm's* best estimate liabilities as reported to the *PRA*, being the sum of items entered under row codes R0010 and R0030, column codes C0150 and C0210 minus the sum of items entered under row codes R0010 and R0030, column codes C0090, C0140 and C0190 of the annual quantitative reporting template S12.01.01; minus corporate pension business reported under the annual quantitative reporting template S14.01.01.

[deleted]

'Annual quantitative reporting template' has the meaning given in Fees Chapter 1 Application and Definitions of the *PRA Rulebook*.

'Corporate pension business' has the meaning given in Fees Chapter 1 Application and Definitions of the *PRA Rulebook*.

'UK Solvency II firm' has the meaning given in Insurance General Application 2 of the *PRA Rulebook*.

Notes:

(1) The recovery of the FCA's annual funding requirement allocated to the A.4 fee-block will be weighted:

- (a) 60% from gross written premium for fees purposes; and
- (b) 40% from best estimate liabilities for fees purposes.

(2) For *non-directive firms*, including *non-directive composite firms* to the extent that they come within the A.4 fee block, the tariff base is not relevant to the level of fees due and only the minimum fee as specified in Part 2(b) of FEES 4 Annex 2AR is payable.

(3) Where any figure used in the calculation of this tariff base is a negative number, it shall instead be deemed to be zero.

A.5 ACTIVE CAPACITY

The capacity of the *syndicate(s)* under management in the year in question. This includes the capacity for *syndicate(s)* that are not writing new business, but have not been closed off in the year in question.

A.6 Not applicable.

A.7 FUNDS UNDER MANAGEMENT (FuM)

The total value, in pounds sterling, of all assets (see note (a) below) in portfolios which the *firm* manages, on a discretionary basis (see note (b) below), in accordance with its terms of business, less:

- a) funds covered by the exclusion contained in article 38 (Attorneys) of the *Regulated Activities Order*;
- (b) funds covered by the exclusion contained in article 66(3) (Trustees, nominees and personal representatives) of the *Regulated Activities Order*;
- (c) funds covered by the exclusion contained in article 68(6) (Sale of goods or supply of services) of the *Regulated Activities Order*;
- (d) funds covered by the exclusion contained in article 69(5) (Groups and joint enterprises) of the *Regulated Activities Order*; and
- (e) the value of those parts of the managed portfolios in respect of which the responsibility for the discretionary management has been formally delegated to another *firm* (and which *firm* will include the value of the assets in question in its own FuM total); any such deduction should identify the *firm* to which management responsibility has been delegated.

Notes on FuM

(a) Except for funds under management where the *fund* is an *AIF*, for the purposes of calculating the value of funds under management, assets means all assets that consist of or include any *investment* which is a *designated investment* or those assets in respect of which the arrangements for their management are such that the assets may consist of or include such *investments*, and either the assets have at any time since 29 April 1988 done so or the arrangements have at any time (whether before or after that date) been held out as arrangements under which the assets would do so.

(aa) for funds under management, where the *fund* is an *AIF*, assets means all assets or property of any description of the *fund*.

(b) Assets managed by the *firm* on a discretionary basis exclude the *firm's* own assets. Assets managed on a non-discretionary basis, being assets that the *firm* has a contractual duty to keep under continuous review but in respect of which prior specific con-

sent of the *client* must be obtained for proposed transactions, are also excluded as this activity is covered in those charged to fees in activity group A.13.

(c) In respect of *collective investment schemes*, assets means the total value of the assets of the scheme.

(d) For an *OPS firm*, the FuM should also be reduced by the value of the assets held as a result of a decision taken in accordance with article 4(6) of The Financial Services and Markets Act 2000 (Carrying on Regulated Activities by Way of Business) Order 2001 (investments in *collective investment scheme* or *bodies corporate* which have as their primary purpose the acquisition, directly, or indirectly, of relevant investments, as defined in that article).

(e) Only assets that are managed from an establishment maintained by the *firm* in the *United Kingdom* are relevant.

(f) If the *firm* is managing an overlay portfolio of *derivative* instruments and the underlying assets are managed by itself or a *firm* within the same *group* that has not reported them separately to the *FCA*, or by a *firm* outside its *group*, then it should calculate the value of the *derivatives* and other assets as prescribed in the *guidance* in FSA038 in SUP 16 Annex 25.

If the underlying assets are managed by another *firm* within the same *group* who has reported their value separately to the *FCA*, then to avoid double-counting within the *group*, the calculation must be restricted to the exposure of the overlay.

A.9

GROSS INCOME(1) For *AIFMs* (excluding *internally managed AIFs*), *management companies*, *operators* (including *ACDs* and *authorised fund managers of unit trusts* or *authorised contractual schemes* but excluding *operators of a personal pension scheme* or a *stakeholder pension scheme*) and *residual CIS operators* gross income from the activity relating to fee-block A.9 is defined as:

the amount of the annual charge on investments in the *fund* received or receivable in the latest accounting period (this is calculated as a % of funds invested, typically 1% p.a., excluding any additional ad hoc charges such as performance fees);

PLUS(a)

the front-end or exit charge levied on sales or redemptions of *collective investment schemes* (typically 4-5% of sales/redemptions) in that same accounting period; and

(b) any amount the *firm* would have levied as such a charge but for a business decision to waive, discount or rebate etc. that charge;

PLUS

any additional initial or management charges levied through a product wrapper such as an *ISA*;

BUT EXCLUDING box management profits.

(2)For *depositories* (including *trustees of collective investment schemes* and *ICVC* or *ACS depositories*):

The amount of the annual charge levied on investments in *funds* for which they act as *depository* (typically a % of the total funds for which they act as *depository*).⁽³⁾

For *operators of a personal pension scheme* or a *stakeholder pension scheme* gross income from the activity relating to fee block A.9 is defined as:

The amount of the charges levied on the *personal pension scheme* or *stakeholder pension scheme* for which they act as *operator*:

including up-front charges, fund related charges, transaction related charges and periodic charges; but

excluding charges made to an investor in respect of third party suppliers; for example, charges for stock broking, borrowing, banking services and charges for arranging third party legal services, surveys or environmental screening in connection with property.

Note:

Only the gross income corresponding to *United Kingdom* business is relevant.

(4) *Internally managed AIFs* must use a proxy for gross income for the activities relating to fee block A.9. This is the total value of funds under management (as defined in fee block A.7) multiplied by 0.01.

A.10

NUMBER OF TRADERS

Any *employee* or agent, who:

ordinarily acts within the *United Kingdom* on behalf of an *authorised person* liable to pay fees to the *FCA* in its fee-block A.10 (firms dealing as principal); and who,

as part of their duties in relation to those activities of the *authorised person*, commits the *firm* in market dealings or in transactions in *securities* or in other *specified investments* in the course of *regulated activities*.

But not any *employees* or agents who work solely in the *firm's MTF* operation.

A *firm* may, as an option, report *employees* or agents as full-time equivalents (FTE), taking account of any part-time staff. In calculating the FTE, *firms* must take into account the total hours *employees* or agents have contracted to work for the *firm* and not the time *employees* or agents devote to the *dealing in investments as principal* and *bidding in emissions auctions* functions set out in fee-block A.10. Any figures using the FTE calculation to be recorded to one decimal place, rounded down to the nearest decimal place.

A.13

ANNUAL INCOME

Annual income as defined in FEES 4 Annex 11A R

A.14

ANNUAL INCOME

Annual income as defined in FEES 4 Annex 11A R.

A.18

Annual income as defined in FEES 4 Annex 11A

A.19

Annual income as defined in FEES 4 Annex 11A

A.21

CLIENT MONEY/ASSETS HELD:

A value in pound sterling equal to:

Highest total amount of *client money* held by the *firm* during the 12 months ending 31 December before the relevant *fee year*

PLUS

Highest total value of *safe custody assets* held by the *firm* during the 12 months ending 31 December before the relevant *fee year*

A.22

Number of *appointed representatives* appointed by the *firm*.

Note: *appointed representatives* include *introducer appointed representatives*.

A.23

ANNUAL INCOME

Annual income as defined in FEES 4 Annex 11AR.

B. Service companies

ANNUAL INCOME

Annual income as defined in FEES 4 Annex 11AR.

B. MTF and OTF operators

Annual income as defined in FEES 4 Annex 11AR.

B. Regulated benchmark

Annual income as defined in FEES 4 Annex 11AR.

admin-istrators	
B. Reco-gnised in-vestment ex-changes	Annual income as defined in FEES 4 Annex 11AR.
B. Reco-gnised auc-tion plat-forms	Not applicable.
B. Reco-gnised over-seas in-vestment ex-changes	Not applicable.
CC1. Credit-related regulated activities with limited permission	Annual income as defined in FEES 4 Annex 11B R.
CC2. Credit-related regulated activities	Annual income as defined in FEES 4 Annex 11B R.
CMC.	Annual turnover as defined in FEES 4 Annex 11AR.

Part 4

This table indicates the tariff base for each fee block set out in Part 2.

The tariff base in this Part is the means by which the FCA measures the amount of business conducted by a firm for the purposes of calculating the annual periodic fees payable to the FCA by that firm.

Activity Group	Tariff base
A.0	Not applicable because the minimum fee is a specified amount.
AP.0	The total periodic fees payable as a result of fee blocks A.2 and A.7 to A.19 and A.23 in Part 1 of FEES 4 Annex 2A R excluding any periodic fee for <i>operating a dormant asset fund</i> .

Part 5

This table indicates the valuation date for each fee-block. A firm can calculate its tariff data in respect of fees payable to the FCA by applying the tariff bases set out in Part 3 with reference to the valuation dates shown in this table.

Activity group	Valuation date
<p>IN THIS TABLE, REFERENCES TO SPECIFIC DATES OR MONTHS ARE REFERENCES TO THE LATEST ONE OCCURRING BEFORE THE START OF THE PERIOD TO WHICH THE FEE APPLIES, UNLESS OTHERWISE SPECIFIED - E.G. FOR 2013/14 FEES (1 APRIL 2013 TO 31 MARCH 2014), A REFERENCE TO DECEMBER MEANS DECEMBER 2012.</p> <p>Where a firm's tariff data is in a currency other than sterling, it should be converted into sterling at the exchange rate prevailing on the relevant valuation date.</p>	

A.1	<p>For banks:</p> <p>Modified eligible liabilities (MELs), valued at:</p> <p>for a <i>firm</i> which reports monthly, the average of the MELs for October, November and December;</p> <p>for a <i>firm</i> which reports quarterly, the MELs for December. For <i>credit unions</i>:</p> <p>For credit unions:</p> <p>MELs, valued at December or as disclosed by the most recent annual return made prior to that date.</p> <p>For building societies:</p> <p>MELs, valued at the average of the MELs for October, November and December.</p>
A.2	<p>Number of mortgages, <i>home purchase plans</i>, <i>home reversion plans</i> and <i>regulated sale and rent back agreements</i> entered into in the twelve months ending 31 December.</p> <p>AND</p> <p>Number of mortgages, <i>home purchase plans</i>, <i>home reversion plans</i> and <i>regulated sale and rent back agreements</i> being administered on 31 December.</p>
A.3	<p>The <i>firm's</i> gross written premium for fees purposes and its best estimate liabilities for fees purposes for the <i>firm's</i> financial year which ends in the calendar year to 31 December prior to commencement of the <i>fee year</i>.</p>
A.4	<p>For UK Solvency II firms, including <i>composite</i> UK Solvency II <i>firms</i> to the extent that they are required to report data used for this tariff base, the <i>firm's</i> gross written premium for fees purposes and its best estimate liabilities for fees purposes, for the <i>firm's</i> financial year which ends in the calendar year to 31 December prior to commencement of the <i>fee year</i>.</p>
A.5	<p>Active capacity (AC), in respect of the Underwriting Year (as reported to the <i>Society of Lloyd's</i>) which is current at the beginning of the period to which the fee relates.</p> <p>[Note: this is the Underwriting Year which is already in progress at the start of the fee period - e.g. for 2013/14 fees, the fee period will begin on 1 April 2013, which is in the 2013 Underwriting Year, so the AC for that Underwriting Year is the relevant measure.]</p>
A.6	Not applicable.
A.7	Funds under management (FuM), valued at 31 December.
A.9	Annual gross income (GI) for the financial year ended in the calendar year ending 31 December.
A.10	Number of traders as at 31 December.
A.13	Annual income for the financial year ended in the calendar year ending 31 December.
A.14	Annual income for the financial year ended in the calendar year ending 31 December.
A.18	Annual income (AI) for the financial year ended in the calendar year ending 31 December.
A.19	Annual income (AI) for the financial year ended in the calendar year ending 31 December.
A.21	<p>In respect of <i>client money</i>, the highest amount of <i>client money</i> held over the 12 months ending 31 December before the relevant <i>fee year</i>.</p> <p>In respect of <i>safe custody assets</i>, the highest amount of <i>safe custody assets</i> held over the 12 months ending 31 December before the relevant <i>fee year</i>.</p>
A.22	Number of <i>appointed representatives</i> included in the <i>Financial Services Register</i> on the first day of a <i>fee year</i> .
A.23	Annual income for the financial year ended in the calendar year ending 31 December.
B. Service companies	Annual income for the financial year ended in the calendar year ending 31 December.

B. MTF and OTF operators	Annual income for the financial year ended in the calendar year ending 31 December
B. Regulated benchmark administrators	Annual income for the financial year ended in the calendar year ending 31 December.
B. Recognised investment exchanges	Annual income for the financial year ended in the calendar year ending 31 December.
B. Recognised auction platforms	Not applicable.
B. Recognised overseas investment exchanges	Not applicable.
CC1. Credit-related regulated activities with limited permission	Annual income for the financial year ended in the calendar year ending 31 December.
CC2. Credit-related regulated activities	Annual income for the financial year ended in the calendar year ending 31 December.
CMC.	Annual turnover for the financial year ended in the calendar year ending 31 December.

FCA Fee rates for the period from 1 April 2023 to 31 March 2024

Part 1

This table shows the tariff rates applicable to each of the fee blocks set out in Part 1 of FEES 4 Annex 1AR.

- (1) For each activity group specified in the table below, the fee is the total of the sums payable for each of the tariff bands applicable to the *firm's* business, calculated by multiplying the value of the *firm's* tariff base by the rate applicable to each tranche of the tariff base, as indicated.
- (2) A *firm* may apply the relevant tariff bases and rates to non-UK business, as well as to its UK business, if:
 - (a) it has reasonable grounds for believing that the costs of identifying the *firm's* UK business separately from its non-UK business in the way described in Part 3 of FEES 4 Annex 1AR are disproportionate to the difference in fees payable; and
 - (b) it notifies the FCA in writing at the same time as it provides the information concerned under FEES 4.4 (Information on which fees are calculated), or, if earlier, at the time it pays the fees concerned.
- (3) For a *firm* which has not complied with FEES 4.4.2R (Information on which fees are calculated) for this period:
 - (a) the fee is calculated using (where relevant) the valuation or valuations of business applicable to the previous period, multiplied by the factor of 1.10; and
 - (b) an additional fee of £250 is payable, unless the *firm* is a PRA-*authorised person* in which case an additional fee of £125 is payable instead.
 - (c) [deleted]

Activity group	Fee payable
A.1	Band width (£million of Modified Eligible Liabilities (MELs))
	Fee (£/£m or part £m of MELs)
	Periodic fee
	>10 - 140 14.836
	>140 - 630 14.836
	>630 - 1,580 14.836
	>1,580 - 13,400 18.545
	>13,400 24.479
	The tariff rates in A.1 are not relevant for the <i>permissions</i> relating to <i>operating a dormant asset fund</i> . Instead a flat fee of £6,762 is payable in respect of these <i>permissions</i> .
A.2	Band width (No. of mortgages and/or home finance transactions)
	Fee (£/mortgage)
	>50 3.145
A.3	Gross written premium for fees purposes (GWP)
	Band Width (£million of GWP)
	Periodic fee
	Fee (£/m or part £m of GWP)
	>0.5 344.20

	PLUS	
	Best estimate liabilities for fees purposes (BEL)	Periodic fee
	Band Width (£million of BEL)	Fee (£/£m or part £m of BEL)
	>1	21.70
	For <i>UK ISPVs</i> the tariff rates are not relevant and a flat fee of £547.00 is payable in respect of each <i>FCA</i> financial year (the 12 <i>months</i> ending 31 March).	
A.4	Gross written premium for fees purposes (GWP)	Periodic fee
	Band Width (£million of GWP)	Fee (£/£m or part £m of GWP)
	>1	238.93
	PLUS	
	Best estimate liabilities for fees purposes (BEL)	Periodic fee
	Band Width (£million of BEL)	Fee (£/£m or part £m of BEL)
	>1	15.898
A.5	Band Width (£million of Active Capacity (AC))	Fee (£/£m or part £m of AC)
	>50	5.30
A.6	Flat fee (£)	400,692.84
A.7	For class 1(C), (2) , (3) and (4) <i>firms</i> :	
	Band Width (£million of Funds under Management (FuM))	Fee (£/£m or part £m of FuM)
	>10	4.947
	For class 1(B) <i>firms</i> : the fee calculated as for class 1(C) <i>firms</i> above, less 15%. For class 1(A) <i>firms</i> : the fee calculated as for class 1(C) <i>firms</i> above, less 50%.	
A.9	Band Width (£million of Gross Income (GI))	Fee (£/£m or part £m of GI)
	>1	988.25
A.10	Band Width (No. of traders)	Fee (£/person)
	>1	8,069.40
	For <i>firms</i> carrying on <i>auction regulation bidding</i> , the fee in A.10 is calculated as above less 20% for each trader that carries on <i>auction regulation bidding</i> but not <i>MiFID business bidding</i> or <i>dealing in investments as principal</i> .	
A.13	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	2.47
A.14	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)

A.18	>100 Band Width (£ thousands of Annual Income (AI))	1.54 Fee (£/£ thousand or part £ thousand of AI)
A.19	>100 Band Width (£ thousands of Annual Income (AI))	10.455 Fee (£/£ thousand or part £ thousand of AI)
A.21	>100 <i>Client money</i> Band Width (£ <i>client money</i>) (CM) held	1.727 Fee (£/£ millions or part £ million of CM)
	less than £1 million	99.09
	an amount equal to or greater than £1 million but less than or equal to £1 billion	74.32
	more than £1 billion	49.55
	PLUS <i>Safe custody assets</i> Band Width (£ <i>safe custody assets</i>) (CA) held	Fee (£/£ millions or part £ million of CA)
	less than £10 million	0.415
	an amount equal to or greater than £10 million and less than or equal to £100 billion	0.3113
	more than £100 billion	0.2075
A.22	Band Width (No. of <i>appointed representatives</i>)	Fee (£/ <i>appointed representative</i>)
	>0	266.00 for <i>appointed representatives</i> other than <i>introducer appointed representatives</i>
	>0	80.00 for <i>introducer appointed representatives</i>
A.23	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	7.56
B. Service Companies	Band Width	Fee (£)
	Annual income up to and including £100,000	1,202.00
	PLUS: Band width	Fee (£/£thousand or part £ thousand of income)
	Annual income over £100,000	0.99
B. Regulated benchmark administrators	Band width	Fee (£)
	Annual income up to and including 100,000	1,222.00
	PLUS: Band width	Fee (£/£ thousand or part £ thousand of income)
	Annual income over 100,000	1.33

B. Reco- gnised in- vestment exchanges	Band width	Fee (£)
	Annual income up to and including £10,000,000	116,081.00
	PLUS:	
	Band width	Fee (£/£ thousand or part £ thou- sand of income)
	Annual income over £10,000,000	2.39
B. Reco- gnised auction platforms	61,878.00	
B. Reco- gnised overseas investment exchanges	66,294.00	
B. MTF and OTF operators	Band width	Fee (£)
	Annual income up to and including £100,000	1,222.00
	PLUS:	
	Band width	Fee (£/£ thousand or part £ thou- sand of income)
	Annual income over £100,000	1.65
CC1. Credit-re- lated regu- lated activ- ities with limited permission	Band Width (£ thousands of annual income (AI))	Fee (£)
	0 - 10	350
	>10 - 100	700
	>100	1,000
	PLUS:	
		Fee (£/£ thousand or part £ thou- sand of AI)
	>250	0.581
CC2. Credit-re- lated regu- lated ac- tivities	Band Width (£ thousands of annual income (AI))	Fee (£)
	0 - 50	1,000
	>50 -100	1,250
	>100	1,500
	PLUS:	
		Fee (£)
	>250	1.627
A fee payer which falls into fee blocks A.0 and CC2. pays a fee of £0 in relation to in- come falling within the CC2. fee block up to a Band Width of 250.		

CMC.	Band width (£ thousands of annual turnover)	Fee (£)
	0-50	531.00
	50-100	1,062.00
	>100	0.91 per £ thousand or part per £ thousand

Part 2

The tables below show the tariff rates (minimum fees) applicable to each of the fee blocks set out in Part 2 of FEES 4 Annex 1AR.

Part 2(a) shows the tariff rates (minimum fees) payable to the FCA by FCA-*authorised persons* and Part 2(b) shows the tariff rates (minimum fees) payable to the FCA by PRA-*authorised persons*.

[**Note:** PRA-*authorised persons* will also pay minimum fees to the PRA as set out in Chapter 3 of the Fees Part of the PRA Rulebook.]

Part 2(a) tariff rates (minimum fees) payable to the FCA by FCA-*authorised persons*

A.0	(1)	£1,500 unless it is a <i>community finance organisation</i> with a tariff base of:
	(a)	up to and including 3 mortgages and/or <i>home finance transactions</i> , in which case a minimum fee of £187 is payable; or
	(b)	more than 3 but no more than 10 mortgages and/or <i>home finance transactions</i> , in which case a minimum fee of £634 is payable; or
	(c)	more than 10 but no more than 50 mortgages and/or <i>home finance transactions</i> , in which case a minimum fee of £1,175 is payable.
	(2)	[deleted]
	(3)	[deleted]
	[deleted]	[deleted]
	(4)	[deleted]
AP.0		Periodic fees payable under fee blocks A.2, A.7 to A.19, A.21, A.23 and CC.2 in Part 1 multiplied by rate £0.10508.

Part 2(b) tariff rates (minimum fees) payable to the FCA by PRA- <i>authorised persons</i>			Fee
A.0	(1)	Any PRA- <i>authorised person</i> except as set out in (2) and (3)	£750
		[deleted]	
		[deleted]	
		[deleted]	
		[deleted]	
	(2)	<i>Credit union</i> with a tariff base (Modified Eligible Liabilities) of:	
	(a)	£0 to £0.5million	£97
	(b)	£0.5million to £2.0million	£327
	(c)	above £2 million.	£606
	(3)	<i>Non-directive friendly society</i> that meets the criteria of one of the following categories (a) to (c):	
		Activity group the	Gross written premium
			Best estimate liabilities

Part 2(b) tariff rates (minimum fees) payable to the FCA by PRA-authorized persons				Fee
	firm falls into	for fees purposes for that activity	for fees purposes for that activity	
(a)	A.3 but not A.4	£0.5 million or less	Up to £1 million or less	£261
(b)	A.4 but not A.3	£1 million or less	£1 million or less	£261
(c)	Both A.3 and A.4			
	A.3	£0.5 million or less	£1 million or less	£261
	A.4	£1 million or less	£1 million or less	£261
Part 3 [deleted]				

PRA fee rates and EEA/Treaty firm modifications for the period from 1 March 2014 to 28 February 2015

Ring-Fencing Implementation Fee [deleted]

Fees relating to the direct reporting of transactions to the FCA under SUP 17A for the period 1 April 2017 to 31 March 2018 [deleted]

Periodic fees in relation to collective investment schemes, AIFs marketed in the UK, small registered UK AIFMs and money market funds payable for the period 1 April 2023 to 31 March 2024

Part 1 - Periodic fees payable

Scheme type	Basic fee (£)	Total funds/sub-funds aggregate	Fund factor	Fee (£)
ICVC, AUT, ACS, LTIFs, Money market funds with effect from 21 July 2018	150.00	1-2	1	150.00
		3-6	2.5	375.00
		7-15	5	750.00
		16-50	11	1,650.00
		>50	22	3,300.00
non-UK AIFs recognised under section 272 of the Act	600.00	1-2	1	600.00
		3-6	2.5	1,500.00
		7-15	5	3,000.00
		16-50	11	6,600.00
		>50	22	13,200.00

Fees are charged according to the number of funds or *sub-funds* operated by a *firm* as at 31 March preceding the relevant *fee year*. Where a new *collective investment scheme* becomes authorised during a *fee year*, fees are charged according to the number of funds or *sub-funds* operated by a *firm* as at the date of authorisation. Where more than one fund or *sub-fund* is operated, the number of funds (not including the *umbrella* or parent fund) produces a 'fund factor' in accordance with the table above, which is then applied to a basic fee to produce one total fee per *operator*. Fund factors are applied per *operator* rather than per *scheme* so that the fees relate to the number of funds rather than the number of *schemes*. This means that, for example, an *authorised fund manager* of three *schemes* pays the same as an *operator* or *authorised fund manager* of one *scheme* with three *sub-funds* (as only the *sub-funds* are counted).

Schemes set up under section 264 of the Act are charged according to the number of funds or *sub-funds* which a *firm* is operating and *marketing* into the UK as at 31 March immediately before the start of the period to which the fee applies. For example, for 2010/11 fees a reference to 31 March means 31 March 2010.

Part 2 - Periodic fees for AIFs marketed in the UK, following a notification to the FCA under regulation 57, 58 or 59 of the AIFMD UK regulation

Kind of notification	Fee per AIF (£)
Notification under regulation 57 of the AIFMD UK regulation	365
Notification under regulation 58 of the AIFMD UK regulation	255
Notification under regulation 59 of the AIFMD UK regulation	365

Part 3 - Periodic fees paid by *small registered UK AIFMs*

The annual fee for *small registered UK AIFMs* is £718

Periodic fees for designated professional bodies: tariff base, valuation date and tariff rates

Part 1

This table sets out the tariff base and valuation date for the *designated professional bodies* fee-block. The tariff base and valuation date in this Part is the means by which the *FCA* calculates the annual periodic fees payable by a *designated professional body* to the *FCA*.

Activity group	Fee payer falls in the activity group if:	Tariff base	Valuation date
D.1 <i>Designated professional bodies</i>	It is a <i>designated professional body</i>	Number of <i>exempt professional firms</i> regulated or supervised by a <i>designated professional body</i>	As at 31 December prior to the <i>fee-year</i>

Part 2

This table sets out the tariff rates applicable to *designated professional bodies*

Fee payable in relation to 2023/24	Amount payable
Minimum fee, payable by all <i>designated professional bodies</i>	£10,620
Variable fee, payable by <i>designated professional bodies</i> where the number of <i>exempt professional firms</i> regulated or supervised by a <i>designated professional body</i> is greater than 1	28.12 multiplied by the total number of <i>exempt professional firms</i> in excess of 1

Note

The *Financial Services Register* includes details of *exempt professional firms* carrying out *insurance distribution activity*.

Periodic fees for recognised investment exchanges, and recognised auction platforms payable in relation to the period 1 April 2016 to 31 March 2017

[deleted]

Periodic fees in relation to the Listing Rules for the period 1 April 2015 to 31 March 2016 [deleted]

Periodic fees in relation to the Disclosure and Transparency Rules for the period 1 April 2015 to 31 March 2016 [deleted]

Periodic fees for MTF operators payable in relation to the period 1 April 2020 to 31 March 2021 [deleted]

Periodic fees in respect of payment services, electronic money issuance, regulated covered bonds, CBTL business, data reporting services, third party verifiers and proxy advisers in relation to the period 1 April 2023 to 31 March 2024

This Annex sets out the periodic fees in respect of *payment services* carried on by *fee-paying payment service providers* under the *Payment Services Regulations* and electronic money issuance by *fee-paying electronic money issuers* under the *Electronic Money Regulations* and issuance of *regulated covered bonds* by issuers and *CBTL business* carried on by *CBTL firms* under the *MCD Order* and *data reporting services providers* under the *DRS Regulations*.

Part 1 - Method for calculating the fee for fee-paying payment service providers

- (1) The periodic fee for *fee-paying payment service providers* is calculated by identifying the relevant activity group under Part 2 and then adding the minimum fee to an additional fee calculated by multiplying the tariff base identified in Part 3 of FEES 4 Annex 11 by the appropriate rates applying to each tranche of the tariff base as indicated in the table at Part 5. For *small payment institutions* and *small electronic money institutions* the tariff rates are not relevant and a flat fee is payable.
- (2) A *fee-paying payment service provider* may apply the relevant tariff bases and rates to non-UK business, as well as to its UK business, if:
 - (a) it has reasonable grounds for believing that the costs of identifying the *firm's UK business* separately from its non-UK business in the way described in Part 3 of FEES 4 Annex 11 is disproportionate to the difference in fees payable; and
 - (b) it notifies the *FCA* in writing at the same time as it provides the information concerned under FEES 4.4 (Information on which fees are calculated), or, if earlier, at the time it pays the fees concerned.
- (3) For a *fee-paying payment service provider* which is required to comply with FEES 4.4.9 D (Information on which fees are calculated) and has not done so for this period:
 - (a) the fee is calculated using (where relevant) the valuation or valuations of business applicable to the previous period, multiplied by the factor of 1.10; and
 - (b) an additional administrative fee of £250 is payable.
 - (c) [deleted]

Part 1A - Method for calculating the fee for fee-paying electronic money issuers

- (1) The periodic fee for *fee-paying electronic money issuers* is calculated by identifying the relevant activity group under Part 2A and then multiplying the tariff base identified in Part 3 of 1 R by the appropriate rates applying to each tranche of the tariff base as indicated in the table at Part 5. For *small electronic money institutions*, the tariff rates are not relevant and a flat fee is payable.
- (2) A *fee-paying electronic money issuer* may apply the relevant tariff bases and rates to non-UK business, as well as to its UK business, if:
 - (a) it has reasonable grounds for believing that the costs of identifying the *firm's UK business* separately from its non-UK business in the way described in Part 3 of 1 R is disproportionate to the difference in fees payable; and
 - (b) it notifies the *FCA* in writing at the same time as it provides the information concerned under FEES 4.4 (Information on which fees are calculated), or, if earlier, at the time it pays the fees concerned.

- (3) For a *fee-paying electronic money issuer* which is required to comply with FEES 4.4 (Information on which fees are calculated) and has not done so for this period:
- (a) the fee is calculated using (where relevant) the valuation or valuations of business applicable to the previous period, multiplied by the factor of 1.10; and
 - (b) an additional administrative fee of £250 is payable.
 - (c) [deleted]

Part 1B - Method for calculating the periodic fee where the firm is both a fee-paying payment service provider and a fee-paying electronic money issuer

Add the fee calculated under Part 1 to the fee calculated under Part 1A.

Part 1C - Method for calculating the fee for an issuer of a regulated covered bond

The issuance of *regulated covered bonds* by *issuers* is linked to activity group G.15 in this annex. The periodic fees for *issuers* of *regulated covered bonds* is calculated by multiplying the tariff base relevant to G.15 in Part 3 of 1 R by the appropriate rates applying to each tranche of the tariff base as indicated in the table at Part 5.

Part 2 - Activity groups relevant to fee-paying payment service providers

This table shows how the *payment services* performed by *fee-paying payment service providers* are linked to activity groups (fee-blocks). A *fee-paying payment service provider* can use the table to identify which fee-blocks it falls into based on its authorisation or registration.

Activity group	Fee payer falls into this activity group if:
G.2 Certain deposit acceptors	it is a <i>fee-paying payment service provider</i> not falling within any of the other fee-blocks in this table
G.3 Large payment institutions and <i>registered account information service providers</i>	it is a <i>fee-paying payment service provider</i> that is an <i>authorised payment institution</i> , a <i>registered account information service provider</i> , the Post Office Limited or a <i>fee-paying electronic money issuer</i> (except if it is a <i>small electronic money institution</i>)
G.4 Small payment institutions	it is a <i>fee-paying payment service provider</i> that is a <i>small payment institution</i> or a <i>small electronic money institution</i>
G.5 - Other institutions	it is the Bank of England or a government department or local authority that provides <i>payment services</i> other than when carrying out functions of a public nature.

Part 2A - Activity groups relevant to fee-paying electronic money issuers

This table shows how the *electronic money* issuance by *fee-paying electronic money issuers* is linked to activity groups ('fee-blocks'). A *fee-paying electronic money issuer* can use the table to identify which fee-blocks it falls into based on its authorisation, registration or *permission*, as applicable.

Activity group	Fee payer falls into this activity group if:
G.10 Large <i>electronic money institutions</i>	it is a <i>fee-paying electronic money issuer</i> (except if it is a <i>small electronic money institution</i>)

G.11 *Small electronic money institutions* - it is a *small electronic money institution*

Part 2B – Activity groups relevant to *CBTL firms*

This table shows how *CBTL business* carried on by *CBTL firms* is linked to activity groups ('fee-blocks'). A *CBTL firm* can use the table to identify which fee-blocks it falls into based on its registration

Activity Group	Fee payer falls into this activity group if
G.20 <i>CBTL lender</i>	It is a <i>CBTL lender</i> and does not have <i>permission</i> to carry out any <i>regulated activities</i>
G.21 <i>CBTL arranger</i> and <i>CBTL adviser</i>	it is a <i>CBTL arranger</i> or a <i>CBTL adviser</i> and does not have <i>permission</i> to carry out any <i>regulated activities</i>

Part 2C – Activity group relevant to *data reporting services providers*

Activity Group	Fee payer falls into this group if:
G.25 <i>DRSP</i>	it is a <i>data reporting services provider</i> .
G.50	it is a <i>proxy adviser</i>

Part 2D – Activity group relevant to *third party verifiers*

Activity Group	Fee payer falls into this group if:
G.26 TPV	it is a <i>third party verifier</i> .

Part 3

This table indicates the tariff base for each fee-block. The tariff base is the means by which the *FCA* measures the amount of business conducted by *fee-paying payment service providers*, *fee-paying electronic money issuers*, *CBTL firms*, *data reporting services providers*, *firms* registered under the *Money Laundering Regulations*, *issuers of regulated covered bonds* and *third party verifiers*.

Activity Group	Tariff base
G.2	MODIFIED ELIGIBLE LIABILITIES These are determined in the same manner as the tariff-base for relevant <i>firms</i> in the A.1 fee-block set out in FEES 4 Annex 1AR Part 3.
G.3	RELEVANT INCOME This is the sum of the following elements of the <i>firm's UK</i> business: Interest income Interest expenses Gross commissions and fees received Gross other operating income calculated in the same manner as the relevant indicator referred to in paragraph 10(3) of Schedule 3 to the <i>Payment Services Regulations</i> . For the Post Office Limited only, Relevant Income relates only to its <i>payment services</i> business.
G.4	Not applicable.
G.5	As in G.3 and Relevant Income only relates to <i>payment services</i> business.

G.10	Average outstanding electronic money as defined under regulation 2(1) of the <i>Electronic Money Regulations</i> . This is the average total amount of financial liabilities related to <i>electronic money</i> in issue at the end of each calendar day over the preceding twelve calendar months (which is the period ending on the date set out under Part 4), calculated on the first calendar day of each calendar month and applied for that calendar month (£million).
G.11	Not applicable.
G.15	<i>Regulated covered bonds</i> issued in the 12 months ending on the valuation date and valued as at the valuation date.
G.20	Not applicable
G.21	Not applicable
G.25	APPLICABLE TURNOVER This is the sum of revenues generated from: (1) <i>UK ARM</i> services; (2) <i>UK APA</i> services; PLUS: where the same legal entity provides the registered <i>DRSP</i> service: (3) <i>ancillary service</i> to <i>UK ARM</i> services; and (4) <i>ancillary service</i> to <i>UK APA</i> services.
G.26 TPV	Not applicable
G.50	Not applicable

Part 4 - Valuation period

This table indicates the valuation date for each fee-block. A *fee-paying payment service provider*, a *fee-paying electronic money issuer*, a *regulated covered bond issuer* and a *third party verifier* can calculate tariff data by applying the tariff bases set out in Part 3 with reference to the valuation dates shown in this table.

Activity group

Valuation date

In this table, reference to specific dates or months are references to the latest one occurring before the start of the period to which the fee applies e.g. for 2010/11 fees (1 April 2010 to 31 March 2011), a reference to December means December 2009.

Where the tariff data of a *fee-paying payment service provider* or a *fee-paying electronic money issuer* is in a currency other than sterling, it must be converted into sterling at the exchange rate prevailing on the relevant valuation date.

G.2	For <i>banks</i> and <i>building societies</i> as in FEES 4 Annex 1AR Part 5.
G.3	Relevant income for the financial year ended in the calendar year ending 31 December.
G.4	Not relevant.
G.5	Relevant income for the twelve months ending 31 December.
G.10	31 December.
G.11	Not relevant.

G.15	<p>(1) The last day of the financial quarter during which the <i>issuer</i> became registered as an <i>issuer</i> in the <i>FCA</i> financial year (the 12 <i>months</i> ending 31 March).</p> <p>(2) For subsequent <i>FCA</i> financial years, 31 December unless (3) applies.</p> <p>(3) If the issuer became registered as an <i>issuer</i> between 1 January and 31 March inclusive, 31 March in respect of the <i>FCA</i> financial year immediately following the <i>FCA</i> financial year during which it became registered and 31 December in respect of all further <i>FCA</i> financial years.</p> <p>A reference to a financial quarter in this box means any of the following periods: 1 April to 30 June inclusive, 1 July to 30 September inclusive, 1 October to 31 December inclusive or 1 January to 31 March inclusive.</p>
G.25	Applicable turnover for the financial year ended in the calendar year ending 31 December.
G.26 TPV	Not relevant
G.50	Not relevant

Part 5 - Tariff rates

Activity group	Fee payable in relation to 2023/24	
G.2	Minimum fee (£)	558
	£ million or part £m of Modified Eligible Liabilities (MELS)	Fee (£/£m or part £m of MELS)
	> 0.1	0.360
G.3	Minimum fee (£)	558
	£ thousands or part thousand of Relevant Income	Fee (£/£thousand or part £thousand of Relevant Income)
	> 100	0.419
G.4	Flat fee (£)	579
G.5	As in G.3	
G.10	Minimum fee (£)	1,833
	£million or part m of average outstanding electronic money (AOEM)	Fee (£/£m, or part £m of AOEM)
	>5.0	14.90
G.11	Flat fee (£)	1,272
G.15	Minimum fee for the first registered <i>programme</i> (£)	114,073
	Minimum fee for all subsequent registered <i>programmes</i>	75% of minimum fee for first registered <i>programme</i>
	£million or part £m of <i>regulated covered bonds</i> issued in the 12 months ending on the valuation date.	Fee (£/£m or part £m of <i>regulated covered bonds</i> issued in the 12 months ending on the valuation date)
	>0.00	11.64
	For the purposes of calculating fees, any <i>regulated covered bonds</i>	

denominated in a currency other than sterling must be converted into sterling at the applicable exchange rate set out below.

Where an exchange rate hedging agreement was entered into in connection with the issuance of *regulated covered bonds* denominated in a currency other than sterling, the applicable exchange rate for those *regulated cover bonds* is the exchange rate stipulated in the exchange rate hedging agreement.

An exchange rate hedging agreement is any agreement entered into to hedge the market risk relating to fluctuations in exchange rates.

In all other cases, the applicable exchange rate is the daily spot rate available on the Bank of England's Statistical Interactive Database (the Bank of England exchange rate) applying on the valuation date. If the valuation date is not a *business day*, then the applicable exchange rate is the Bank of England exchange rate applying on the first *business day* following the valuation date.

G.20	Flat fee (£)	469
G.21	Flat fee (£)	234
G.25	<i>Data reporting services providers.</i>	£2.37 per £1,000 or part-£1,000, subject to a minimum payment of £25,197
G.26 TPV	Flat fee (£)	281
G.50	Flat fee (£)	5,000

Part 7 [deleted]

Definition of annual income for the purposes of calculating fees in fee blocks A.13, A.14, A.18, A.19, A.23 and B. Service Companies, UK Recognised Investment Exchanges, Multilateral Trading Facilities, Organised Trading Facilities, Regulated Benchmark Administrators and Claims Management Companies

Annual income definition

General definition for all relevant fee-blocks (other than where the firm is an operator of a UK Recognised Investment Exchange, a Multilateral Trading Facility, an Organised Trading Facility a Regulated Benchmark Administrator or a Claims Management Company)

"Annual income" for a particular fee block (the "relevant fee block") is the gross inflow of economic benefits (i.e. cash, receivables and other assets) recognised in the *firm's* accounts during the reporting year in respect of, or in relation to, the provision in the UK of the *regulated activities* specified in FEES 4 Annex 1A R Part 1 as belonging to the relevant fee block .

The figure should be reported for the relevant fee block without netting off the operating costs or business expenses, but including:

(a) all brokerages, *commissions*, *fees*, and other related income (for example, administration *charges*, *overrides*, profit shares etc) due to the *firm* in respect of, or in relation to, the provision in the UK of the *regulated activities* specified in FEES 4 Annex 1A R Part 1 as belonging to the relevant fee block and which the *firm* has not rebated to *clients* or passed on to other *firms* (for example, where there is a commission chain).

PLUS:

(b) any ongoing *commission* from previous business received by the *firm* during the reporting year.

PLUS:

(c) the "fair value" of any goods or services the *firm* provided to *clients*. This is the *commission equivalent* or an estimate of the amount the *firm* would otherwise have received for any *regulated activity* under (a) above, but for which it has made a business decision to waive or discount its charges.

Definition for UK Recognised Investment Exchanges

"Annual income" for a UK *recognised investment exchange* is the gross inflow of economic benefits (i.e. cash, receivables and other assets) recognised in the *firm's* accounts during the reporting year in respect of, or in relation to activities that comprise a necessary part of an exchange's business as an investment exchange. This should include all revenues the *firm* derives from operating *multilateral trading facilities* and *organised trading facilities*.

For the purposes of calculating annual income of the UK *recognised investment exchange* include amounts received in relation to the operation of its markets; access to those markets; the submission, management and execution of orders; quotes or transactions on those markets; the supply of pre-and post- trade transparency information about those markets; fees for *admission to trading* or listing; membership of connectivity charges; fees for order execution or management; trade reporting; market data and any other relevant revenue streams.

Definition for firms operating Multilateral Trading Facilities and Organised Trading Facilities

This refers to *firms operating a multilateral trading facility or organised trading facility*.

"Annual income" for an operator of a *multilateral trading facility or organised trading facility* is the gross inflow of economic benefits (i.e. cash, receivables and other assets) recognised in the *firm's* accounts during the reporting year in respect of, or in relation to activities that comprise a necessary

Annual income definition

part of the *firm's* business as an operator of a *multilateral trading facility* or *organised trading facility*.

For the purposes of calculating annual income of the operator of a *multilateral trading facility* or *organised trading facility* include amounts received in relation to the operation of its markets; access to those markets; the submission, management and execution of orders; quotes or transactions on those markets; the supply of pre-and post-trade transparency information about those markets; fees for *admission to trading* or listing; membership of connectivity charges; fees for order execution or management; trade reporting; market data and any other relevant revenue streams.

Where the firm is a Regulated Benchmark Administrator

"Annual income" for a *regulated benchmark administrator* is the gross inflow of economic benefits (i.e. cash, receivables and other assets) recognised in the *firm's* accounts during the reporting year in respect of, or in relation to activities in the *UK* that comprise a necessary part of its business as a *regulated benchmark administrator*.

Where the sales and marketing of a benchmark are undertaken by a separate legal entity, the *regulated benchmark administrator* is responsible for identifying the relevant income and reporting it to us as its own income. To avoid double counting, the *regulated benchmark administrator* should report only the income from sales and exclude any amount paid to it from that income to pay for its expenses as a *regulated benchmark administrator*.

Where the firm's regulated activities are carried on by an appointed representative of the firm

The *firm's* annual income must include income received by an *appointed representative* carrying a *regulated activity* in a relevant fee block on behalf of the *firm*.

The *appointed representative's* annual income must be calculated in the same way as the *firm's*. However, to avoid double counting, the *appointed representative's* annual income must not include any income also recognised in the *firm's* accounts, including income recognised as a result of a commission sharing arrangement with the *appointed representative*.

Where the relevant fee-block is fee-block A.18

For the purposes of calculating annual income for fee-block A.18, also include the following:

(d) for any *home finance mediation activity* carried out by the *firm* for which it receives payment from the lender or provider on a basis other than that in (a), the value of all new mortgage advances and amounts provided under other *home finance transactions* resulting from that activity multiplied by 0.004;

PLUS:

(e) if the *firm* is a *home finance provider*, the value of all new mortgage advances and amounts provided under other *home finance transactions* which are *regulated mortgage contracts*, *home purchase plans*, *home reversion plans* or *regulated sale and rent back mediation activity*, multiplied by 0.004m, excluding mortgage advances and *home finance transactions* which result from *home finance mediation activity* carried on by another *firm*, where payment has been made by the *home finance provider* to that other *firm* under (a);

PLUS:

(f) for *firms* whose *permission* includes *administering regulated mortgage contracts*, but not *entering into a regulated mortgage contract* and *firms* whose *permission* includes *administering a home finance transaction* but not *entering into a home finance transaction*, and in either case whose *permission* does not include *advising on a home finance transaction*, the relevant amounts are multiplied by 0.15.

Where the relevant fee-block is fee-block A.19

For the purposes of calculating annual income for fee-block A.19, also include the following:

(g) in relation to any activities in (a), for any *insurance distribution activity* carried out by the *firm* for which it receives payment from the *insurer* on a basis other than that in (a), the amount of *premiums* receivable on its *contracts of insurance* multiplied by 0.07;

PLUS:

Annual income definition

(h) if the *firm* is an *insurer* in relation to the activities in (a), the amount of *premiums* receivable on its *contracts of insurance* multiplied by 0.07, excluding those *contracts of insurance* which:

- result from *insurance distribution activity* by another *firm*, where payment has been made by the *insurer* to the *firm* under (a); or
- are not *general insurance contracts* or *pure protection contracts*.

AND

(i) for the purposes of calculating annual income for fee-block A.19:

- the provision in the *UK* of the *regulated activities* specified in FEES 4 Annex 1A Part 1 as belonging to the relevant fee block includes the provision of activities that would have been *insurance distribution activity* in relation to *general insurance contracts* or *pure protection contracts* if they had been carried on after 13 January 2005 or, in relation to *connected travel insurance contracts*, from 1 January 2009; - a reference to a "*firm*" includes a reference to any *person*, including a *connected travel insurance intermediary*, who carried on activities which would be *insurance distribution activity* (in respect of *general insurance contracts* or *pure protection contracts*) if they had been carried on after 13 January 2005 or, in relation to *connected travel insurance contracts*, from 1 January 2009. Guidance on the interpretation of this definition is presented in FEES 4 Annex 13 G.

Where the firm is a Claims Management Company (fee-block claims management company)

Income is defined as turnover.

"Turnover" means the sum of the amounts paid to, or received by, an authorised *claims management company* in respect of *regulated claims management activities* in *Great Britain*, including:

- (j) charges, commission, the share of any compensation, fees and subscriptions;
- (k) the monetary value of any services received by the *claims management company* where it makes no payment for those services or where the payment received is worth less than the monetary value of the services; and
- (l) the monetary value of any advertising in respect of the *claims management company* that it has not paid for out of funds referred to in sub-paragraphs (j) and (k).

Definition of annual income for the purposes of calculating fees in fee blocks CC1 and CC2

(1) Annual income definition for *credit related regulated activities*

“Annual income” is the gross inflow of economic benefits (i.e. cash, receivables and other assets) recognised in the *firm's* accounts during the reporting year in respect of, or in relation to, the provision in the UK of the *regulated activities* specified in FEES 4 Annex 1AR Part 1 as belonging to fee-blocks CC1 or CC2 as applicable.

The figure should be reported without netting off the operating costs or business expenses, but including:

(a) all interest received on loans, brokerages, *commissions*, *fees*, and other related income (for example, administration *charges*, *overrides*, profit shares etc) due to the *firm* in respect of, or in relation to, the provision in the UK of the *credit-related regulated activities* specified in FEES 4 Annex 1AR Part 1 as belonging to fee-blocks CC1 and CC2 and which the *firm* has not rebated to *clients* or passed on to other authorised firms (for example, where there is a commission chain).

(aa) In the case of *consumer hire agreements*, interest should be calculated as the total revenue over the period of the lease minus depreciation of the asset over the same period. Where depreciation is not recorded in the accounts and a *firm* uses its own internal conventions for calculating depreciation, it must be ready on request to demonstrate that its methodology uses straight-line depreciation or an alternative depreciation method in line with the UK Financial Reporting Standard (FRS 102) or *International Accounting Standards* (IAS). In the absence of internal conventions for calculating depreciation, the assumption should be made that the asset depreciates to zero over the period (or minimum period) of the lease, or (if no period is specified) over a reasonable period.

Plus:

(b) any ongoing *commission* from previous business received by the *firm* during the reporting year.

(ba) any vouchers, reward cards or other benefits staff have received from other *firms* as recompense for making introductions as a *credit broker*.

Plus:

(c) the “fair value” of any goods or services the *firm* provided to *clients*. This is an estimate of the amount the *firm* would otherwise have received for any *regulated activity* under (a) above, but for which it has made a business decision to waive or discount its charges.

Plus:

(d) [deleted]

Or

(e) The figure must be reported using the proxy measure of annual income if the *firm* receives no annual income of the type in 1(a) to (c) and meets the criteria in (2).

(2) Proxy measure of annual income

(a) A *firm* that receives no annual income of the type in 1(a) to (c) must report its annual income using the proxy measure in (b) if:

(i) its main business is to sell goods or supply services, and is not to carry on a credit activity in 2(a)(ii) or 2(a)(iii);

and

(ii) it carries on:

(aa) *credit broking* in relation to *credit agreements*, except for *credit broking* in relation to buy-to-let mortgages; or

(bb) *entering into a regulated credit agreement as lender*;

or

(iii) it carries on:

(aa) *credit broking* in relation to *consumer hire agreements*; or

(bb) *entering into a regulated consumer hire agreement as owner*.

(b) The proxy measure for annual income is calculated:

(i) for activities in 2(a)(ii), by multiplying the gross loan amount under all agreements falling within the activity by the percentage value at (b)(iii);

(ii) for activities in 2(a)(iii), by multiplying the gross value of all goods under all agreements falling within the activity by the percentage value at (b)(iii);

(iii) the percentage value is 5%.

(iv) [deleted]

(3) Where the firm's regulated activities are being carried on by an appointed representative of the firm

The *firm's* annual income must include income received by an *appointed representative* carrying a *regulated activity* in a relevant fee block on behalf of the *firm*.

The *appointed representative's* annual income must be calculated in the same way as the *firm's*. However, to avoid double counting, the *appointed representative's* annual income must not include any income also recognised in the *firm's* accounts, including income recognised as a result of a commission sharing arrangement with the *appointed representative*.

Guidance on the interpretation of this definition is presented in Table 2 of FEES 4 Annex 13 G.

Guidance on the calculation of tariffs set out in FEES 4 Annex 1AR Part 3

The following table sets out *guidance* on how a *firm* should calculate tariffs for fee-block A.4.

Gross written premium for fees purposes (GWP) and Best estimate liabilities for fees purposes (BEL) - calculation of new regular premium business

(1) If any business is transferred to a *firm* (A) from another *firm* (B) under the procedure set out at Part VII of the *Act* and that business would have been included in B's tariff base in the absence of such a transfer, this business should be included in either A's or B's tariff base, depending on the date of transfer. FEES 4.3.17R explains in whose tariff base it should be included.

(2) Best estimate liabilities for fees purposes should take account of all of A's business, including all new business transferred from B.

Guidance on the calculation of tariffs set out in FEES 4 Annex 1AR Part 3

Table 1

The following table sets out *guidance* on how a *firm* should calculate tariffs for fee blocks A.13, A.14, A.18, A.19, A.23 and B. Service Companies, Recognised Investment Exchanges, Multilateral Trading Facilities, Organised Trading Facilities, Regulated Benchmark Administrators and Claims Management Companies.

Calculating and apportioning annual income - FEES 4 Annex 11AR

Calculating annual income

Defining relevant income streams

- (1) The *firm* should refer to the fee-block definitions in FEES 4 Annex 1AR, Part 1 to decide which particular income streams should be taken into account when calculating its annual income for the purposes of fee-blocks A.13, A.14, A.18, A.19 and B. Service Companies, Recognised Investment Exchanges, Multilateral Trading Facilities, Organised Trading Facilities and Benchmark Administrators.
- (2) For the avoidance of doubt, the only income streams reportable for a relevant fee-block are those income streams which relate to a *regulated activity* listed in that fee-block. Income streams that do not relate to a *regulated activity* listed in the relevant fee-block should not be reported. *Service companies*, operators of *recognised investment exchanges*, *multilateral trading facilities*, *organised trading facilities* and *regulated benchmark administrators* should report the income relating to each of these activities, excluding income from any other activities in the B fee-block on which they pay *FCA* fees. Operators of *recognised investment exchanges* should include all income derived from operating *multilateral trading facilities* and *organised trading facilities*.

Under FEES 4 Annex 11AR, where the sales and marketing of a benchmark are undertaken by a separate legal entity within the same *group*, the income generated as a result is also deemed to relate to the *regulated activity* carried on by the *benchmark administrator* and so should be reported to the *FCA* by the *benchmark administrator* as its own income (for fees setting purposes).

Firms should exclude from the calculation of their annual income for any particular fee-block all income directly derived from the performance of *regulated activities* belonging to other fee-blocks. For example:

- (a) interest from loans made in the course of providing or administering home finance (A.2) should be excluded from commission earned from arranging home finance agreements (A.18);
 - (b) premium interest from carrying out or effecting life insurance contracts (A.3), income from managing the underwriting capacity of a Lloyd's syndicate as a managing agent at Lloyds (A.5) should be excluded from commissions for arranging general insurance (A.19);
 - (c) income from managing investments, collective investment schemes or pensions schemes (A.7 or A.9) or income from operating *multilateral trading facilities* should be excluded from income derived from investment intermediation (A.13) or operating a *recognised investment exchange* or administering a *specified benchmark*.
- (3) *Firms* should only include revenue streams that relate to *regulated activities* which are carried on 'in the *United Kingdom*'. In many cases, it will be quite straightforward to identify where an activity is carried on. But when there is a cross-border element, for example because a client is outside the *United Kingdom* or because some other element of the activity happens outside the *United Kingdom*, the question may arise as to where the activity is car-

ried on. PERG 2.4 generally and PERG 4.11 regarding activities relating to *regulated mortgage contracts*, PERG 5.12 regarding activities relating to *insurance distribution activities* and PERG 14.6 regarding *home reversion plans* and *home purchase plans* describe the legislation that is relevant to this question and gives the FCA's views on various scenarios.

Reporting period

- (4) Except for *claims management companies*, the "reporting year" is the *firm's* financial year end during the calendar year prior to the *FCA fee year*. This *fee year* starts on 1 April. This is specified in part 5 of FEES 4 Annex 1A.
- (5) The income that should be included is the income that was recognised in the accounts of the relevant reporting year. This means that some income due may not be reported until the following year because it has not yet been recognised in the accounts, while other income may be carried forward from previous years.

Fair value

- (6) Except in relation to fee-block A.18 and A.19 where one or more of paragraphs (d) to (f) or (g) to (i) of FEES 4 Annex 11A apply, the *firm* should report a "fair value" price for any services for which it has made a business decision not to charge to *clients*.

We consider fair value to refer to the amount at which goods or services could be exchanged in an arm's length transaction between informed and willing parties, other than in a forced or liquidation sale.

For example, where a *firm* has forgone or discounted the *commission* or *fee* would actually have charged but for the business decision to grant a discount in a particular case or on a temporary basis, it should report the amount it would have otherwise have charged for providing equivalent activities.

In the case of *home finance mediation* in fee-block A.18 and general insurance intermediation in fee-block A.19 where one or more of paragraphs (e) to (f) or (g) to (i) of FEES 4 Annex 11A apply, instead of asking for firms to estimate fair value, certain ratios are prescribed in FEES 4 Annex 11BR where the *client* is not charged directly for the service provided.

Inclusions

- (7) Annual income should include:
- (a) all amounts due to the *firm* arising out of the *regulated activities* referred to in the relevant fee block for which the *firm* holds *permission*, including regular *charges* and instalments due to the *firm* during the reporting year;
 - (b) any payment from a parent to facilitate the discounting or forgoing of any amounts that would otherwise be charged in full to a *client*, to the extent that the payment exceeds the "fair value" price reported in accordance with paragraph (6) above;
 - (c) (i) amounts earned by a *firm's* appointed representative when carrying on a *regulated activity* for the *firm* to which FEES 4 Annex 11A applies; and
(ii) amounts earned by a *person* who will become the *firm's* appointed representative immediately after *authorisation*;
 - (d) administrative charges and any interest from income related to the *regulated activities* specified in the relevant fee block.
- (8) Additional inclusions in respect of fee-block A.18:
- (a) a *firm* must include in paragraph (a) any survey and booking fees due to it in respect of *home finance mediation activity*.

Prohibited deductions

- (9) Deductions should not be made for:
- (a) bad debts;
 - (b) customer benefits such as cash rewards, complimentary travel insurance, air miles vouchers etc.;

- (c) items such as general business expenses (e.g. employees' salaries and overheads);
- (d) fines or penalties levied against the *firm*;
- (e) commission a *firm* pays another party to arrange a transaction with a *client* unless it receives a *fee* in respect of the same transaction;
- (f) the difference (if positive) between the fee payable by a *firm* to another party for arranging a transaction and the amount payable to the *firm* by the end *client* in respect of that transaction (here, the *firm* must net any excess payable by the end *client* to zero);
- (g) payments made to *clients* by way of redress.

Exclusions

(10) The following should be excluded from the calculation of annual income:

- (a) To avoid double-counting, amounts which have been passed on to other *firms* may be excluded from the calculation of annual income, for example, where there is a commission chain. Transfers of income to other *firms* may be especially common within *groups* where, to present a single interface to *clients*, all amounts due to the *group* may be collected by one *firm* for subsequent redistribution to other *firms* within the *group*. It is for *groups* themselves to decide the most convenient way to report such annual income - i.e. whether the *firm* which receives the full amount should declare that full amount, or whether each *firm* in the *group* should report its separate distribution.
- (b) Any payment from a parent to facilitate the discounting or forgoing of any amount that would otherwise be charged in full to a *client* should be excluded to the extent that the payment does not exceed or equal the "fair value" price reported in accordance with paragraph (6) above.
- (c)
 - (i) rebates to *customers* and members of a *recognised investment exchange, multi-lateral trading facility and organised trading facility*; and
 - (ii) *fees or commissions* passed onto other *firms*.
- (d) *Authorised professional firms* should exclude the income from *non-mainstream regulated activities*. They may estimate the proportion of their business that is derived from those activities and split the income from individual invoices accordingly.
- (e) For the avoidance of doubt, income relating to or in respect of an activity is not part of annual income for the purposes of the definition in FEES 4 Annex 11A to the extent that the activity benefits from the exclusion in article 69 of the Financial Services and Markets Act 2000 (Regulated Activities Order) 2001 (Groups and joint enterprises). *Firms* should refer to the *guidance* on the application of this exclusion is contained in PERG 2.9.

Apportioning annual income

Where a *firm* cannot separate its income on the basis of activities, it may apportion the income on the basis of the proportionate split of business that the *firm* otherwise undertakes. For instance:

- (1) If a *firm* receives annual income from a platform-based business it may report this in line with a wider breakdown of its activities.
- (2) A *firm* providing corporate finance advice which does not maintain records of the split between *regulated activities* and non-regulated activities for individual cases may calculate that regulated business accounts for a certain proportion of its business overall and apply that as a multiplier across its income.
- (3) A *firm* may allocate ongoing *commission* from previous business on the basis of the type of *firm* it receives the *commission* from. This avoids tracking back legacy business which may no longer match the provider's current business model.
- (4) An *authorised professional firm* may estimate the proportion of its business that is derived from *regulated activity* and split its income for individual invoices accordingly.

- (5) If a *firm* has invested income from *regulated activities*, then any interest received should be reported as income, in proportion to the volume of regulated business it undertakes to avoid tracking back old payments.
- (6) *Firms'* systems ought to be able to distinguish *UK* from non-*UK* business to establish which conduct of business regime it was conducted under. If, however, they do not relate the figures back to income streams for the specific *regulated activities* in a particular fee-block then the *firm* may make a proportionate split as described above, calculating its regulated *UK* income on the basis of the overall split between *UK* and overseas income.
- (7) It is for individual *firms* to determine how they should calculate the appropriate split of income. The *FCA* is not prescriptive about the methodology. It requires only that:
 - (a) the approach should be proportionate - the *FCA* is looking for *firms* to make their best efforts to estimate the split;
 - (b) the *firm* must be able on request to provide a sound and clearly expressed rationale for its approach - for example, if all invoices were analysed over a particular period, the *firm* should be able to justify the period as representative of its business across the year;
 - (c) the methodology should be objective - for example, based on random sampling of invoices or random stratified sampling;
 - (d) the *firm* must on request be able to provide an audit trail which demonstrates that the choice of methodology was properly considered at an appropriate level or in the appropriate forums within the *firm*, and the decision periodically reviewed at the same level or in an equivalent forum.

Table 2

The following table sets out *guidance* on how a *firm* should calculate tariffs for fee blocks CC.1 and CC.2.

Calculating and apportioning annual income - FEES 4 Annex 11BR

Calculating annual income

Defining relevant income streams

- (1) *Firms* should report the total income from the *credit-related regulated activities* for which they have *permission*.
- (2) *Firms* should only include revenue streams that relate to *regulated activities* which are carried on 'in the *United Kingdom*'. In many cases, it will be quite straightforward to identify where an activity is carried on. But when there is a cross-border element, for example because a client is outside the *United Kingdom* or because some other element of the activity happens outside the *United Kingdom*, the question may arise as to where the activity is carried on. *PERG 2.4* describes the legislation that is relevant to this question.

Reporting period

- (3) The "reporting year" is the *firm's* financial year end during the calendar year prior to the *FCA fee year*. This *fee year* starts on 1 April. This is specified in part 5 of *FEES 4 Annex 1A*.
- (4) The income that should be included is the income that was recognised in the accounts of the relevant reporting year. This means that some income due may not be reported until the following year because it has not yet been recognised in the accounts, while other income may be carried forward from previous years.

Fair value

- (5) The *firm* should report a "fair value" price for any services for which it has made a business decision not to charge to *clients*. We consider fair value to refer to the amount at which goods or services could be exchanged in an arm's length transaction between informed and willing parties, other than in a forced or liquidation sale.

Some examples where fair value may be relevant in the context of consumer credit are:

- (a) "Imputed interest": where a loan has been provided interest-free or at a discounted rate, the charge should be rounded up to the prevailing rate normally chargeable to a *client* with a similar credit rating;

(b) "Commission-equivalent" or "fee-equivalent": where a *firm* has foregone or discounted the *commission* or *fee* it would actually have charged but for the business decision to grant a discount in a particular case or on a temporary basis, it should report the amount it would otherwise have charged for providing equivalent *credit-related regulated activity*.

(6) *Firms* should not estimate a fair value where:

(a) there is a statutory prohibition on charging interest (such as bankruptcy debts); or

(b) they have reduced or suspended their normal charging structure because the debtor is unable to meet contractual repayments and an alternative repayment arrangement has been agreed with the creditor; or

(c) they have made a "borrower-lender-supplier" agreement to allow a customer to pay the cash price of goods or services in instalments - any penalties or interest charged where the customer is in default should be declared as income.

(6A) [deleted]

(6B) Proxy measure of annual income FEES 4 Annex 11BR(2)

FEES 4 Annex 11BR(2) sets out the proxy measure of annual income for a *firm* defined in FEES 4 Annex 11BR(1)(e). An example of what a *firm* would report as a proxy measure of annual income is provided below:

If a *firm* enters into a *regulated credit agreement* as *lender*, providing a gross loan amount of £1,000 to enable a *customer* to purchase goods from it priced at £1,000, the *firm* should report: $5\% \times £1000 = £50$.

Inclusions

(7) Annual income should include:

(a) all amounts due to the *firm* arising out of *credit-related regulated activities* for which the *firm* holds *permission*, including regular *charges* and instalments due to the *firm* during the reporting year;

(b) income received in relation to the provision of current account overdrafts interest charges, arrangement fees and credit cards charges;

(c) any payment from a parent to facilitate the discounting or forgoing of any amounts that would otherwise be charged in full to a *client*, to the extent that the payment exceeds the "fair value" price reported in accordance with paragraph (5) above;

(d) (i) amounts earned by the *firm's appointed representatives* when carrying on a regulated activity for the *firm* to which FEES 4 Annex 11B R applies; and

(ii) amounts earned by a *person* who will become the *firm's appointed representative* immediately after *authorisation*; and

(e) administrative charges and any interest from income related to its *credit-related regulated activity*.

Prohibited deductions

(8) Deductions should not be made for:

(a) bad debts;

(b) customer benefits such as cash rewards, complimentary travel insurance, air miles vouchers etc;

(c) items such as general business expenses (eg, employees' salaries and overheads);

(d) fines or penalties levied against the *firm*;

(e) commission a *firm* pays to another party to arrange a transaction with a *client* unless it receives a *fee* in respect of the same transaction;

- (f) the difference (if positive) between the fee payable by a *firm* to another party for arranging a transaction and the amount payable to the *firm* by the end *client* in respect of that transaction (here, the firm must net any excess payable by the end client to zero);
- (g) payments to *clients* made by way of redress; and
- (h) commission or fees clawed back by a third party *firm* in subsequent years, for example because a *client* introduced by a *credit broker* to a *lender* repays a loan early or defaults.

Exclusions

- (9) The following should be excluded from the calculation of annual income:
 - (a) Any income arising from business which is not a *credit-related regulated activity*.
 - (b) (i) Repayments of principal lent by the *firm* in the course of it carrying on a *credit-related regulated activity* and (ii) sums received by the *firm* in exchange for the rights to principal owed to the *firm* where the principal was lent by the *firm* in the course of carrying on a *credit-related regulated activity* and where the rights are not sold at a premium to the value of the principal outstanding, should not be included. By the same token, the money a *firm* has received for the purpose of lending on to consumers as principal (e.g. money raised through wholesale borrowing, grant-aid, intra-group transfers, etc) should not be treated as income.
 - (c) On the same principle, the income on debt purchase is the difference between the price paid for the purchased book and the amount collected.
 - (d) To avoid double-counting, amounts which have been passed on to other *firms* carrying on *credit-related regulated activity* may be excluded from the calculation of annual income, for example where there is a commission chain. Transfers of income to other *firms* may be particularly common within *groups* where, to present a single interface to *clients*, all amounts due to the *group* may be collected by one firm for subsequent redistribution to other *firms* within the *group*. It is for *groups* themselves to decide the most convenient way to report such annual income, ie whether the *firm* which receives the full amount should declare that full amount or whether each *firm* in the *group* should report its separate distribution.
 - (e) Any payment from a parent to facilitate the discounting or forgoing of any amount that would otherwise be charged in full to a *client* should be excluded to the extent that the payment does not exceed or equal the "fair value" price reported in accordance with paragraph (6) above.
 - (f) Rebates to *customers* and *fees* or *commissions* passed onto other *firms* should be excluded.
 - (g) The costs of wholesale funding should be excluded from the calculation - ie interest payments on money borrowed in order to lend on to customers.
 - (h) If the total income a *firm* reports to us in one year includes an estimate for potential income which had been recognised in the accounts but not in practice received, and which has subsequently been written off as a bad debt, the amount may be deducted from the following year's reported income.
 - (i) Any debit backs deducted from an intermediary by a lender where a customer settles the loan early or defaults.

- (j) *Authorised professional firms* should exclude the income from *non-mainstream regulated activities*. They may estimate the proportion of their business that is derived from those activities and split the income from individual invoices accordingly.
- (k) For the avoidance of doubt, income relating to operating current accounts and debit card transactions should be excluded except where the income relates to the provision of overdrafts (see paragraph (6)(c) above).
- (l) For the avoidance of doubt, income relating to or in respect of an activity is not part of annual income to the extent that the activity benefits from the exclusion in article 69 of the Financial Services and Markets Act 2000 (Regulated Activities Order) 2001 (Groups and joint enterprises). *Firms* should refer to the *guidance* on the application of this exclusion is contained in PERG 2.9.
- (m) Where a *consumer hire agreement* is open ended, its term should be taken as the period over which depreciation is calculated to zero. If the agreement is in practice terminated before depreciation reaches zero, the residual value may not be subtracted from the revenue. Where an agreement ends before depreciation reaches zero, but is subsequently renewed, the residual value of the asset should determine its cost at the beginning of the new agreement and depreciation recalculated accordingly. For example, if the cost of the asset at the start of the original agreement was £500 and depreciation was 80%, then its residual value carried forward to the new agreement would be £100. If the asset was assumed to depreciate to zero during the original agreement, then there is no residual value to carry forward and the income for the second agreement would be the total revenue from the lease.

Apportioning annual income

Where a *firm* cannot separate its income on the basis of *credit-related regulated activities*, it may apportion the income on the basis of the proportionate split of business that the *firm* otherwise undertakes. Examples are outlined below.

- (1) If a *firm* receives annual income from a platform-based business it may report this in line with a wider breakdown of its activities.
- (2) A *firm* may allocate ongoing *commission* from previous business on the basis of the type of *firm* it receives the *commission* from. This avoids tracking back legacy business which may no longer match the provider's current business model.
- (3) If a *firm* has invested income from *credit-related regulated activities*, then any interest received should be reported as income, in proportion to the volume of business relating to *credit-related regulated activities* it undertakes to avoid tracking back old payments.
- (4) *Firms'* systems ought to be able to distinguish *UK* from non-*UK* business to establish which conduct of business regime it was conducted under. However, if, a *firm* has a mix of business and its systems do not relate the figures back to the income streams from *credit-related regulated activities*, then it may make a proportionate split as described above, calculating its regulated *UK* income on the basis of the overall split between *UK* and non-*UK* income.
- (5) An *authorised professional firm* may estimate the proportion of its business that is derived from *regulated activity* and split its income for individual invoices accordingly.
- (6) It is for individual *firms* to determine how they should calculate the appropriate split of income. The *FCA* is not prescriptive about the methodology. It requires only that:
 - (a) the approach should be proportionate - the *FCA* is looking for *firms* to make their best efforts to estimate the split;
 - (b) the *firm* must be able on request to provide a sound and clearly expressed rationale for its approach - for example, if all invoices were analysed over a particular period, the *firm* should be able to justify the period as representative of its business across the year;
 - (c) the methodology should be objective - for example, based on random sampling of invoices or random stratified sampling; and

- (d) the *firm* must on request be able to provide an audit trail which demonstrates that the choice of methodology was properly considered at an appropriate level or in the appropriate forums within the *firm*, and the decision periodically reviewed at the same level or in an equivalent forum.

UKLA periodic fees for the period from 1 April 2023 to 31 March 2024

Part 1 Base fee		
Activity group or invoice code (Note 1)	Description	Base fee payable (£)
E.1	Discontinued	
E.2	Premium listed issuer	<i>A listed issuer of equity shares and certificates representing shares with a premium listing (see Note 2)</i> 6,037
E.3	Standard listed issuer	<i>A listed issuer of shares and certificates representing certain securities with a standard listing and not with a premium listing (see Note 2)</i> 22,871
E.4	Discontinued	
E.5	Discontinued	
E.6	Non-listed issuer (in DTR)	<i>A non-listed issuer (in DTR)</i> 0
E.7	Primary information provider	<i>A primary information provider</i> 19,087
ES.01	Sponsor	<i>A sponsor (see Note 3)</i> 31,794
Notes		
Note 1	The 'E' activity groups are codes that appear on FCA invoices for periodic fees.	
Note 2	<p><i>A listed issuer of shares and certificates representing certain securities</i> need not pay periodic fees if the following conditions apply:</p> <p>(1) the <i>listed issuer</i>, or a related entity, has already paid a periodic fee in respect of the period concerned; or</p> <p>(2) the <i>listed issuer</i> is subject to <i>listing rules</i> as a result of a <i>reverse takeover</i>; or</p> <p>(3) the <i>listed issuer</i> is a newly formed entity, created as a result of a restructuring.</p>	
Note 3	In the case of approval of a <i>sponsor</i> following a change of legal status in accordance with FEES 3 Annex 1R Part 7, the balance of the fees otherwise due from the original <i>sponsor</i> is due from the <i>sponsor</i> that is a result of the change of legal status.	
Part 2 Variable fee additional to base fee		
Activity Group	Market capitalisation as at the last <i>business day</i> of the September prior to the <i>fee-year</i> in which the fee is payable in £million	Fee payable in £per £million or £part million

E.2	Premium listed issuer (as described in Part 1)	0 - 100	0
		> 100 - 250	48.522421
		> 250 – 1,000	18.721381
		> 1,000 – 5,000	11.523777
		> 5,000 – 25,000	0.281099
		> 25,000	0.090817

Fees relating to the recognition of benchmark administrators and the endorsement of benchmarks for the period 1 April 2023 to 31 March 2024

Activity group	Fee payable
<i>A third country legal representative</i>	£14,412
<i>A benchmark endorser</i>	£8,452

Periodic fees for credit rating agencies, trade repositories and securitisation repositories

This Annex sets out the periodic fees in respect of *credit rating agencies*, *trade repositories* and *securitisation repositories*.

Part 1 – Method for calculating the fee for fee-paying payment service providers

The periodic fee is calculated by identifying the relevant activity group under Part 2 and multiplying the tariff base identified in Part 3 of FEES 4 Annex 16R by the appropriate rates in the table at Part 4.

Part 2 – Activity groups

Activity group	Fee payer falls into this group if:
J.1	it is a <i>credit rating agency</i> or certified credit rating agency; or
J.2	it is a <i>trade repository</i> or recognised trade repository; or
J.3	it is a <i>securitisation repository</i> .

Part 3

This table indicates the tariff base for each fee-block. The tariff base is the means by which the FCA measures the amount of business conducted by a *firm*.

J.1 <i>Credit rating agencies</i>	<p>APPLICABLE TURNOVER</p> <p>This is revenue generated from the <i>credit rating agency's</i> activities and ancillary services.</p>
J.2 <i>Trade repositories</i>	<p>APPLICABLE TURNOVER</p> <p>This is the sum of revenues generated from:</p> <p>(a) the core functions of centrally collecting and maintaining records of derivatives and <i>securities financing transactions</i>; and</p> <p>(b) ancillary services that are directly related to centrally collecting and maintaining records of derivatives and <i>securities financing transactions</i>.</p> <p>Ancillary services include:</p> <p>(i) direct provision by the <i>trade repository</i>;</p> <p>(ii) indirect provision by a company within the <i>trade repository's</i> group; and</p> <p>(iii) where an entity with which the <i>trade repository</i> has concluded an agreement in the context of the trading or post-trading chain or business line to cooperate in the provision of services provides the ancillary services.</p> <p>Where a <i>trade repository's</i> accounts do not distinguish revenue from ancillary services under different activities, it should determine the share each activity represents of the turnover from provid-</p>

J.3 *Securitisation repositories*

ing core services and apply that to the composite ancillary revenue figure.

APPLICABLE TURNOVER

This is the sum of revenues generated from:

- (a) the core functions of centrally collecting and maintaining records of *securitisations*; and
- (b) ancillary services that are directly related to centrally collecting and maintaining records of *securitisations*.

Ancillary services include:

- (i) direct provision by the *securitisation repository*;
- (ii) indirect provision by a company within the *securitisation repository's* group;
- (iii) where an entity with which the *securitisation repository* has concluded an agreement in the context of the trading or post-trading chain or business line to cooperate in the provision of services provides the ancillary services.

Part 4 – Tariff rates

Fee block	Activity group	Fee payable in relation to the fee year 2023/24
J.1	Registered <i>credit rating agencies</i> and third country certified credit rating agencies with applicable turnover of £8.868m or less	Exempt
	Registered <i>credit rating agencies</i> with turnover above £8.868m	£2.89 per £1k or part-£1k (applies to all turnover)
	Certified <i>credit rating agencies</i> with turnover above £8.868m	£5,321.00
J.2	Registered <i>trade repositories</i>	£11.04 per £1k or part-£1k, subject to a minimum payment of £26,604.00
	Recognised <i>trade repositories</i>	£4,434.00
J.3	Registered <i>securitisation repositories</i>	£11.04 per £1k or part-£1k subject to a minimum payment of £26,604.00

Chapter 4A

Temporary Permissions Regime (TPR) and Financial Service Contracts Regime (FSCR) – periodic fees



4A.1 Introduction

Application

4A.1.1 **R** This chapter applies to *TP persons*.

Purpose

4A.1.2 **G** The purpose of this chapter is to set out the requirements on *TP persons* to pay periodic fees. For the avoidance of doubt, the definition of *TP persons* includes *supervised run-off firms* but not *CRO firms*. Only **■** FEES 4A.2.1R and **■** FEES 4A Annex 4R apply to *CRO firms*.

4A.1.3 **G** The detail of the special project fees payable by certain *TP persons* and *CRO firms* is set out in **■** FEES 4A Annex 3R and **■** FEES 4A Annex 4R respectively.

4A.2 Obligation to pay periodic fees

- 4A.2.1** **R** A *TP person* must pay periodic fees applicable to it:
- (1) in full and without deduction by 1 August or, if later, within 30 days of the *fee year* to which the sum relates, unless modified by **FEES 4A.2.2R**; and
 - (2) in accordance with the *rules* in this chapter.
- A *TP person* or a *CRO firm* must pay any special project fees applicable to it under **FEES 4A Annex 3R** or **FEES 4A Annex 4R** respectively.
- 4A.2.2** **R** If a *TP firm's* periodic fee for the previous financial year was at least £50,000, the *TP firm* must pay:
- (1) an amount equal to 50% of the periodic fee payable for the previous year, by 1 April (or if later, within 30 days of the date of the invoice) in the *financial year* to which the sum due under **FEES 4A.2.1R** relates; and
 - (2) the balance of the periodic fee due for the current *financial year* by 1 September (or if later, within 30 days of the date of the invoice) in the *financial year* to which that sum relates.
- 4A.2.2A** **R** Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and the *person* falls within **FEES 4A.2.1R** and on the date the annulment has effect the date for payment specified in **FEES 4.2.1R** has passed, then that date for payment does not apply, but the *person* must pay the periodic fees applicable to it on the date on which the annulment takes effect.
- 4A.2.2B** **R** Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and the *person* falls within **FEES 4A.2.2R** and:
- (1) the annulment takes effect after 1 April, or after the invoice referred to in **FEES 4A.2.2(1)** has been issued, then the date for payment in **FEES 4A.2.2R(1)** does not apply, but the *person* must, where the annulment takes effect after 1 April but before 1 September, pay:
 - (a) an amount equal to 50% of the *FCA* periodic fee payable for the previous year on the date on which the annulment takes effect; and

- (b) the balance of the *FCA* periodic fee due for the current *financial year* by 1 September or, if later, within 30 days of the date of the invoice, in the *financial year* to which that sum relates; or
- (2) the annulment takes effect after 1 September or after the invoice referred to in ■ FEES 4A.2.2R(2) has been issued, then the date for payment in ■ FEES 4A.2.2R(2) does not apply, but the *person* must pay the total periodic fee due for the current *financial year*, on the date on which the annulment takes effect.

Calculation of periodic fees for TP persons, excluding TPR funds

4A.2.3 R Periodic fees for *TP persons*, excluding *TPR funds*, are calculated as follows:

- (1) identify each of the activity groups set out in Parts 1, 3 and 4 of ■ FEES 4A Annex 1R that apply to the business of the *TP person* (excluding *TPR funds*) for the relevant period (for this purpose, the activity groups under ■ FEES 4A Annex 1R are defined in accordance with Part 1 of ■ FEES 4 Annex 1AR and Part 2 of ■ FEES 4 Annex 11R);
- (2) calculate the size of the *TP person's* tariff base for the activity groups identified under (1) using:
 - (a) the tariff base calculations in Part 3 of ■ FEES 4 Annex 1AR and Part 3 of ■ FEES 4 Annex 11R (including only business undertaken from a *branch* in the *UK*); and
 - (b) the valuation date requirements in Part 5 of ■ FEES 4 Annex 1AR and Part 4 of ■ FEES 4 Annex 11R;
- (3) multiply the value of the *TP person's* tariff base by the rate applicable to each band of tariff base under ■ FEES 4A Annex 1R;
- (4) work out whether a minimum fee is payable under Part 2 of ■ FEES 4A Annex 1R and if so how much;
- (5) add together the fixed sums, as set out in the tables in Parts 1, 3 and 4 of ■ FEES 4A Annex 1R, applicable to each band identified under (1);
- (6) add together the amounts in (3), (4), and (5); and
- (7) the amount in (6) is the amount of periodic fees payable by the *TP person*.

4A.2.4 R For the purposes of ■ FEES 4A.2.3R:

- (1) a *TP person* may apply the relevant tariff bases and rates to its non-*UK* business, as well as to its *UK* business, if:
 - (a) it has reasonable grounds for believing that the costs of identifying the *TP person's* *UK* business separately from its non-*UK* business in the way described in Part 3 of ■ FEES 4 Annex 1AR and Part 3 of ■ FEES 4 Annex 11R are disproportionate to the difference in fees payable; and

(b) it notifies the *FCA* in writing at the same time as it provides the information concerned under ■ FEES 4A.2.5R, or, if earlier, at the time it pays the fees concerned.

(2) for a *TP person* which has not complied with ■ FEES 4A.2.5R for this period, the periodic fee is calculated using (where relevant) the valuation or valuations of business applicable to the previous period, multiplied by the factor of 1.10.

4A.2.4A **G** Schedule 6A to the *Act* sets out a procedure to enable the *FCA* to cancel or vary the *Part 4A permission* of a *person* who it appears to the *FCA* is not carrying on a *regulated activity*. Paragraph 5 of Schedule 6A to the *Act* sets out a procedure for annulment of cancellation or variation of *Part 4A permission* in specified circumstances. It is for the *FCA* to decide whether it is just and reasonable to annul the decision to cancel a *person's* permission or vary the permission to reduce its scope. Where the *FCA* grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of *Part 4A permission* is treated as if it had never taken place. As a result of annulment, the periodic fees for the period during which the *person's Part 4A permission* was cancelled or varied apply to the *person*.

Information on which TP person's periodic fees are calculated

4A.2.5 **R** A *TP person*, excluding *TPR funds*, must notify to the *FCA* (in its own capacity and, if applicable, in its capacity as collection agent for the *PRA*) the value (as at the valuation date specified in Part 5 of ■ FEES 4 Annex 1AR and Part 4 of ■ FEES 4 Annex 11R) of each element of business on which the periodic fee payable by the *TP person* is to be calculated.

4A.2.6 **R** A *TP person* must send to the *FCA* (in its own capacity and, if applicable, in its capacity as collection agent for the *PRA*) in writing the information required under ■ FEES 4A.2.3R as soon as reasonably practicable, and in any event within two *months*, after the date specified as the valuation date in Part 5 of ■ FEES 4 Annex 1AR and Part 4 of ■ FEES 4 Annex 11R in relation to fees payable to the *FCA*.

4A.2.7 **R** For a *TP person* which has not complied with ■ FEES 4A.2.6R for the period covered by ■ FEES 4A Annex 1R:

- (1) the fee is calculated using (where relevant) the valuation or valuations of business applicable to the previous period, multiplied by the factor of 1.10; and
- (2) an additional fee of £250 is payable, unless the *TP person* also pays periodic fees under the *PRA Rulebook* in which case an additional fee of £125 is payable instead.

4A.2.8 **R** If a *TP person*, other than a *TPR fund*, is subject to *Solvency II Directive* in activity group A.3 or A.4 and the *PRA* or the *FCA* has either:

- (1) not received the necessary tariff data on a timely basis in line with Part 3 and 5 of ■ FEES 4 Annex 1AR; or

(2) deemed the tariff data received to be incomplete or insufficiently reliable, by reference to a specific *TP person* or across all or part of the activity group, the *FCA* may use tariff data from the previous reporting period for the periodic fees calculation.

4A.2.8A **R** Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and on the date the annulment takes effect the date for notification to the *FCA* referred to in **FEES 4A.2.6R** of the information on which a *person's* periodic fee is calculated has passed, the date for compliance referred to in **FEES 4A.2.6R** does not apply, but the *person* must comply with **FEES 4A.2.5R** and **FEES 4A.2.6R** within 2 *months* after the date on which the annulment takes effect.

Periodic fees commencement

4A.2.9 **R** Periodic fees payable by *TP persons* under **FEES 4A.2.1R** relate to the whole of any fee year and are due for payment from the commencement of the fee year unless the modification in **FEES 4A.2.9AR** applies. Any payment made under **FEES 4A.2.1R** is not refundable.

4A.2.9A **R** Where a *CRO firm* becomes a *supervised run-off firm*, the periodic fee payable under **FEES 4A.2.1R** will be pro-rated over the remaining number of calendar *months* of the *fee year* that it is a *supervised run-off firm*.

Periodic fees for TPR funds

4A.2.10 **R** Periodic fees for *TPR funds* are set out in **FEES 4A Annex 2R**.

FEES 4 rules incorporated into FEES 4A by cross-reference

4A.2.11 **G** The *FCA Handbook* provisions relating to the periodic fees for *TP persons* including *supervised run-off firms* in **FEES 4A** are meant to follow closely the provisions relating to the general provisions under **FEES 4**. For brevity, not all of the provisions in **FEES 4** are set out again in **FEES 4A**. In some cases, certain **FEES 4** rules are applied to the payment of the periodic fees for *TP persons* by individual rules in **FEES 4A**. The rest are set out in the table in **FEES 4A.2.13R**.

4A.2.12 **R** The **FEES 2** and **FEES 4 rules** set out in the table in **FEES 4A.2.13R** and any other *rules* in **FEES 4** included in **FEES 4A** by cross-reference apply to the periodic fees for *TP persons* in the same way as they apply to periodic fees payable under **FEES 4**.

4A.2.13 **R** Table of rules in **FEES 4** that also apply to **FEES 4A** to the extent that in **FEES 4** they apply to fees payable to the *FCA*

FEES 4 rules incorporated into FEES 4A	Description	Applicable to <i>TP persons</i> other than <i>TPR funds</i>	Applicable to <i>TPR funds</i>
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FEES 4 rules in- corporated into FEES 4A	Description	Applicable to <i>TP</i> persons other than <i>TPR funds</i>	Applicable to <i>TPR</i> <i>funds</i>
FEES 4.2.10R	Extension of time	Yes	Yes
FEES 4.3.7R	Groups of <i>firms</i>	Yes	Yes
FEES 4.3.17R	<i>Firms</i> acquiring business from other <i>firms</i>	Yes	Yes

TP persons periodic fees for the period from 1 April 2023 to 31 March 2024

4A

Part 1

Activity group	Fee payable
A.1	Band Width (£ million of Modified Eligible Liabilities (MELs)) Fee (£/£m or part £m of MELs) General Periodic fee
	>10 - 140 14.836
	>140 - 630 14.836
	>630 – 1,580 14.836
	>1,580 – 13,400 18.545
	>13,400 24.479
A.2	Band Width (no. of mortgages and/or home finance transactions) Fee (£/mortgage)
	>50 3.145
A.3	Gross written premium for fees purposes (GWP) Periodic fee
	Band Width (£ million of GWP) Fee (£/£m or part £m of GWP)
	>0.5 344.20
	PLUS Best estimate liabilities for fees purposes (BEL) General Periodic fee
	Band Width (£ million of BEL) Fee (£/£m or part £m of BEL)
	>1 21.70
A.4	Gross written premium for fees purposes (GWP) General Periodic fee
	Band Width (£ million of GWP) Fee (£/£m or part £m of GWP)
	>1 238.93
	PLUS Best estimate liabilities for fees purposes General Periodic fee
	Band Width (£ million of BEL) Fee (£/£m or part £m of BEL)
	>1 15.898
A.7	For class 1(C), (2), (3) and (4) firms: Band Width (£ million of Funds under Management (FuM)) Fee (£/£m of part £m of FuM)
	>10 4.947
	Class 1 (C) firms are defined in FEES 4 Annex 1A
A.9	Band Width (£ million of Gross Income (GI)) Fee (£/£m of part £m of GI)

Activity group	Fee payable
A.10	>1 Band Width (no. of traders) Fee (£/trader) 988.25
A.13	>1 For class (2) firms Band Width (£ thousands of annual income (AI)) Fee (£/£ thousand or part £ thousand of AI) 2.47
A.14	>100 For a <i>professional firm</i> in A.13 the fee is calculated as above less 10%.
A.18	Band Width (£ thousands of annual income (AI)) Fee (£/£ thousand or part £ thousand of AI) > 100 1.54
A.19	Band Width (£ thousands of annual income (AI)) Fee (£/£ thousand or part £ thousand of AI) > 100 10.455
CC.2	Band Width (£ thousands of annual income (AI)) Fee (£) 0 - 50 1,000 >50 - 100 1,250 >100 1,500 PLUS: Fee (£/£ thousand or part £ thousand of AI) >250 1.627

Part 2

The table below shows the tariff rates (minimum fees) applicable to each of the fee blocks set out in Part 1 of ■ FEES 4A Annex 1R other than fee-block CC2.

Activity group	Fee payable
A.0	£1,500 unless it is a <i>TP firm</i> that also pays minimum fees set out in the PRA Rulebook, in which case it is £750

Part 3

TA PI firm or TA RAISP firm

Activity group	Fee payable
G.2	Minimum fee (£) 558 £ million or part £ million of Modified Eligible Liabilities (MELs) Fee (£/£m or part £m of MELs)

Activity group		Fee payable
G.3	>0.1	0.360
	Minimum fee (£)	558
	£ thousands or part £ thousand of Relevant Income	Fee (£/£thousand or part £ thousand of Relevant Income)
	>100	0.419

Part 4

TA EMI firm

Activity group		Fee payable
G.10	Minimum fee (£)	1,833
	£ million or part £ million of average outstanding electronic money (AOEM)	Fee (£/£m or part £m of AOEM)
	>5.0	14.90

TPR funds periodic fees for the period from 1 April 2023 to 31 March 2024

Part 1

Scheme type	Basic fee (£)	Total funds/sub-funds aggregate	Fee (£)
<i>EEA UCITS</i> scheme recognised under Part 6 of The Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2018	150.00	1-2	150.00
		3-6	375.00
		7-15	750.00
		16-50	1,650.00
		>50	3,300.00
Note:			
Schemes are charged according to the number of funds or sub-funds which a TP firm is operating and marketing in the UK as at 31 March immediately before the start of the period to which the fee applies. For example, for 2023/2024 fees a reference to 31 March means 31 March 2023.			

Part 2

Scheme type	Fee (£)
<i>EEA AIF</i> , <i>EuVECA</i> , <i>EuSEF</i> , or <i>EEA LTIF</i> which may be marketed in the UK under Part 9A of The Alternative Investment Fund Managers (Amendment) (EU Exit) Regulations 2018	365

Special Project Fee for restructuring

- R (1) The Special Project Fee for restructuring (the SPFR) is only payable by a *TP firm* or *TA PI firm* in one of the following categories:
- (a) if it is in any of the A fee-blocks (as defined in Part 1 of FEES 4 Annex 1AR); or
 - (b) if it is in fee-block G.3 (as defined in FEES 4 Annex 11R).
- R (2) The SPFR becomes payable by a *TP firm* or *TA PI firm* falling into (1)(a) or (b) if it engages in, or prepares to engage in, activity which involves it undertaking or making arrangements with a view to any of the following:
- (a) raising additional capital; or
 - (b) a significant restructuring of the *TP firm* or *TA PI firm* or the *group* to which it belongs, including:
 - (i) mergers or acquisitions;
 - (ii) reorganising the *TP firm's* or *TA PI firm's* group structure;
 - (iv) a significant change to the *TP firm's* or *TA PI firm's* business model; and
 - (v) a significant internal change programme.
- R (3) No SPFR is payable under (2) if the transaction only involves the *TP firm* or *TA PI firm* seeking to raise capital within the *group* to which it belongs.
- R (4) Where the transaction in (2) involves raising capital outside the *TP firm* or *TA PI firm* to which the *TP firm* or *TA PI firm* belongs, any SPFR in relation to that transaction is only payable by the largest *TP firm* or *TA PI firm* in that *group*. The largest *firm* is the one that pays the highest periodic fee in the *fee year* in which the bill is raised. For the purpose of the calculation in (9), all time spent and fees and disbursements incurred in relation to the *group* are added together.
- R (5) The definition of *group* is limited for the purposes of calculating the SPFR to *parent undertakings* and their *subsidiary undertakings*.
- R (6) The *FCA* will levy its own SPFR separate to any levy issued by the *PRA*, and this may be in relation to the same event or circumstance.
- R (7) No SPFR is payable to the *FCA*:
- (a) if the amount calculated in accordance with (8) in relation to the regulatory work conducted by the *FCA* totals less than £25,000 in the case of a *TP firm* in fee-blocks A.1 or A.3 or A.4, or £50,000 in the case of a *TP firm* in any of the other A fee-blocks; or
 - (b) for time spent giving *guidance* to the *TP firm* or *TA PI firm* in relation to the same matter if the *FCA* has charged that *TP firm* or *TA PI firm* for that *guidance*.
- R (8) The SPFR for the *FCA* is calculated as follows:
- (a) Determine the number of hours, or part of an hour, taken by the *FCA* in relation to regulatory work conducted as a consequence of the activities referred to in (2).
 - (b) Next, multiply the applicable rate in the table at (11) by the number of hours or part hours obtained under (a).

	(c)	Then add any fees and disbursements invoiced to the <i>FCA</i> by any <i>person</i> in respect of services performed by that <i>person</i> for the <i>FCA</i> in relation to assisting the <i>FCA</i> in performing the regulatory work referred to in (a).												
	(d)	The resulting figure is the fee.												
	(e)	The number of hours or part hours referred to in (a) are the number of hours or part hours as recorded on the <i>FCA</i> 's systems in relation to the regulatory work referred to in (a).												
R	(9)	The first column in the table at (10) sets out the relevant pay grades of those employed by the <i>FCA</i> and the second column sets out the hourly rates chargeable in respect of those pay grades.												
R	(10)	Table of <i>FCA</i> hourly rates:												
		<table border="0"> <thead> <tr> <th style="text-align: left;">FCA pay grade</th> <th style="text-align: right;">Hourly rate (£)</th> </tr> </thead> <tbody> <tr> <td>Administrator</td> <td style="text-align: right;">45</td> </tr> <tr> <td>Associate</td> <td style="text-align: right;">75</td> </tr> <tr> <td>Technical Specialist</td> <td style="text-align: right;">130</td> </tr> <tr> <td>Manager</td> <td style="text-align: right;">145</td> </tr> <tr> <td>Any other person employed by the <i>FCA</i></td> <td style="text-align: right;">255</td> </tr> </tbody> </table>	FCA pay grade	Hourly rate (£)	Administrator	45	Associate	75	Technical Specialist	130	Manager	145	Any other person employed by the <i>FCA</i>	255
FCA pay grade	Hourly rate (£)													
Administrator	45													
Associate	75													
Technical Specialist	130													
Manager	145													
Any other person employed by the <i>FCA</i>	255													
G	(11)	The obligation to pay the SPFR is ongoing. Accordingly, there is no limitation on the number of times that the <i>FCA</i> may invoice a <i>TP firm</i> or <i>TA PI firm</i> for the SPFR in relation to the same events or circumstances referred to in (2). If the <i>FCA</i> does so, there is a single floor under (7)(a) and not a separate one for each instalment.												
G	(12)	If the SPFR is payable, the full amount calculated under (8) is payable, and not just the excess over £50,000 or £25,000.												

Special Project Fee for contractual run-off firms

R	(1)	The Special Project Fee for contractual run-off firms (the SPFCRO) is only payable by a <i>CRO firm</i> .												
R	(2)	The SPFCRO is payable to recover the cost of the activities the <i>FCA</i> undertakes to carry out its functions under regulation 47 of the <i>EU Exit Passport Regulations</i> .												
R	(3)	The <i>FCA</i> will levy its own SPFCRO separate to any levy issued by the <i>PRA</i> , and this may be in relation to the same event or circumstance.												
R	(4)	No SPFCRO is payable to the <i>FCA</i> if the amount calculated in accordance with (5) in relation to the activities carried out by the <i>FCA</i> totals less than £5,000.												
R	(5)	The SPFCRO for the <i>FCA</i> is calculated as follows: <ol style="list-style-type: none"> (a) Determine the number of hours, or part of an hour, taken by the <i>FCA</i> in relation to the activities undertaken as a consequence of carrying out its functions referred to in (2). (b) Next, multiply the applicable rate in the table at (7) by the number of hours or part hours obtained under (a). (c) Then add any fees and disbursements invoiced to the <i>FCA</i> by any <i>person</i> in respect of services performed by that <i>person</i> for the <i>FCA</i> in relation to assisting the <i>FCA</i> in performing the activities referred to in (a). (d) The resulting figure is the fee. (e) The number of hours or part hours referred to in (a) are the number of hours or part hours as recorded on the <i>FCA</i>'s systems in relation to the activities referred to in (a). 												
R	(6)	The first column in the table at (7) sets out the relevant pay grades of those employed by the <i>FCA</i> and the second column sets out the hourly rates chargeable in respect of those pay grades.												
R	(7)	Table of <i>FCA</i> hourly rates: <table border="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;">FCA pay grade</th> <th style="text-align: left;">Hourly rate (£)</th> </tr> </thead> <tbody> <tr> <td>Administrator</td> <td>45</td> </tr> <tr> <td>Associate</td> <td>75</td> </tr> <tr> <td>Technical Specialist</td> <td>130</td> </tr> <tr> <td>Manager</td> <td>145</td> </tr> <tr> <td>Any other person employed by the <i>FCA</i></td> <td>255</td> </tr> </tbody> </table>	FCA pay grade	Hourly rate (£)	Administrator	45	Associate	75	Technical Specialist	130	Manager	145	Any other person employed by the <i>FCA</i>	255
FCA pay grade	Hourly rate (£)													
Administrator	45													
Associate	75													
Technical Specialist	130													
Manager	145													
Any other person employed by the <i>FCA</i>	255													
G	(8)	The obligation to pay the SPFCRO is ongoing. Accordingly, there is no limitation on the number of times that the <i>FCA</i> may invoice a <i>CRO firm</i> for the SPFCRO in relation to the same activities or circumstances referred to in (2). If the <i>FCA</i> does so, there is a single floor under (4) and not a separate one for each instalment.												
G	(9)	If the SPFCRO is payable, the full amount calculated under (5) is payable, and not just the excess over £5,000.												

Chapter 5

Financial Ombudsman Service Funding

5.1 Application and Purpose

Application

- 5.1.1 R Rules and guidance made by the FCA in this chapter apply to every *firm* which is subject to the *Compulsory Jurisdiction*.
- 5.1.1-A G Whilst no *rule* made by the FCA in this chapter applies to *VJ participants*, some of the *guidance* may do. The application of rules made by the *FOS Ltd* in this chapter is set out in ■ FEES 5.5B and described in ■ FEES 5.1.2 AG.
- 5.1.1A R A reference to *firm* in this chapter includes a reference to a *fee-paying payment service provider, fee-paying electronic money issuer, a CBTL firm, a designated finance platform and a designated credit reference agency*.
- 5.1.1B R ■ FEES 5.1.1A R does not apply to ■ FEES 5.5B or ■ FEES 5 Annex 2R or ■ Annex 3R unless otherwise stated in rules made by the *FOS Ltd*.
- 5.1.1C R This chapter applies to a *TP firm*. This *rule* demonstrates the contrary intention under ■ GEN 2.2.26R.
- 5.1.2 G The rules set out in the table under ■ FEES 5.1.2 AG are made by the *FOS Ltd*. All other ■ FEES 5 rules are made by the FCA.
- 5.1.2A G Table of ■ FEES 5 rules made by the *FOS Ltd*

FEES 5 rules made by the FOS Ltd	Description
FEES 5.5B	Rules relating to case fees
FEES 5 Annex 2R	Annual Levy Payable in Relation to the Voluntary Jurisdiction
FEES 5 Annex 3R	Case Fees Payable
- 5.1.3 G [deleted]
- 5.1.3A G [deleted]

Exemption

- 5.1.4 **R** A firm which is exempt under ■ DISP 1.1.12 R is also exempt from ■ FEES 5.1, ■ 5.2, ■ 5.3, ■ 5.4 and ■ 5.6.
- 5.1.4A **R** A firm will only be exempt from ■ FEES 5.7 for any given *financial year* if it met the conditions in ■ DISP 1.1.12 R on 31 March of the immediately preceding *financial year*.
- 5.1.5 **R** A firm which ceases to be exempt under ■ FEES 5.1.4 R is to be treated, for the purposes of its contribution to the *general levy*, as a firm to which ■ FEES 5.8 applies.
- 5.1.6 **R** [deleted]
- 5.1.6A **G** Firms which cease to be *authorised* and therefore subject to the *Compulsory Jurisdiction* part way through the year will not receive a refund of their *general levy* except in exceptional circumstances.
- 5.1.6B **G** If, after the start of the period to which the *general levy* relates, a person's *Part 4A permission* is cancelled under Schedule 6A or the person's *Part 4A permission* is varied reducing its *permission* under Schedule 6A, the person will not receive a refund of their *general levy*, except in exceptional circumstances.

Purpose

- 5.1.7 **G** The purpose of this chapter is to set out the requirements on firms to pay annual fees (through a *general levy* invoiced and collected by the FCA on behalf of FOS Ltd) and case fees (invoiced and collected directly by FOS Ltd) in order to fund the operation of the *Financial Ombudsman Service*. This Chapter also provides for *unauthorised persons* to pay case fees to FOS Ltd in respect of any *relevant complaints* which it handles.

Gibraltar-based firms

- 5.1.8 **R** In accordance with ■ GEN 2.3 (General saving of the Handbook for Gibraltar), provisions in ■ FEES 5 that immediately before *IP completion day* applied in relation to or in connection with Gibraltar will continue to apply after *IP completion day*. The exceptions to this provision are the amount of annual and case fees payable that are set out in ■ FEES 5 Annex 1R, ■ 5 Annex 2R and ■ 5 Annex 3R, which may change each *fee year*.

5.2 Introduction

- 5.2.1** **G** Paragraph 9 of Schedule 17 to the *Act* (The Ombudsman Scheme) requires *FOS Ltd* to adopt an *annual budget* which has been approved by the *FCA*. The *annual budget* must distinguish between the costs of operating the *Compulsory Jurisdiction* and the *Voluntary Jurisdiction*.
- 5.2.2** **G** Section 234 of the *Act* (Industry Funding) enables the *FCA* to require the payment to it or to *FOS Ltd*, by *firms* or any class of *firm*, of specified amounts (or amounts calculated in a specified way) to cover the costs of:
- (1) the establishment of the *Financial Ombudsman Service*; and
 - (2) its operation in relation to the *Compulsory Jurisdiction*.
- 5.2.2A** **G** [deleted]
- 5.2.2B** **G** [deleted]
- 5.2.3** **G** Paragraph 15 of Schedule 17 to the *Act* enables *FOS Ltd* to require *firms* subject to the *Compulsory Jurisdiction* and any other respondents to a complaint to pay specified fees to it in respect of complaints closed by the *Financial Ombudsman Service*.
- 5.2.3A** **G** [deleted]
- 5.2.4** **G** The *Ombudsman Transitional Order* provides for *unauthorised persons* to be charged fees in respect of any *relevant complaints* against them which the *Financial Ombudsman Service* handles.
- 5.2.5** **G** Paragraph 18 of Schedule 17 to the *Act* enables *FOS Ltd* to require *VJ participants* to pay to it such amounts at such times as it specifies in the *standard terms*.
- 5.2.6** **G** The relevant provisions of the rules in **FEES 5** and **FEES 2** will be applied to *VJ participants* through the *standard terms* made by *FOS Ltd* under paragraph 18 of Schedule 17 to the *Act* (see **DISP 4**).

5.2.7

G This chapter sets out the framework for the funding arrangements of the *Financial Ombudsman Service*, including, where relevant, the method by which fees will be calculated. Details of the actual fees payable will vary from year to year, depending on the *annual budget* of the *Financial Ombudsman Service*. These details will be set out in annexes to this chapter. New annexes will be prepared and consulted on for each *financial year*.

5.3 The general levy

- 5.3.1 **G** Each *financial year*, the *FCA* and *FOS Ltd* will consult on the amount of the *annual budget* of the *Financial Ombudsman Service* which is to be raised by the *general levy*.
- 5.3.2 **G** For the purposes of the *general levy*, a *firm* will fall into one or more of the *industry blocks* set out in ■ FEES 5 Annex 1R depending on the business activities which it conducts.
- 5.3.2A **G** When identifying the relevant *industry block(s)*, the *TP firm*, *TA EMI firm*, *TA PI firm* or *TA RAISP firm* must identify the activity (or activities) in ■ FEES 5 Annex 1R that most closely matches that for which that *firm* is treated as having *Part 4A permission*.
- 5.3.3 **G** The *FCA* will determine, following consultation, the amount to be raised from each *industry block*. This will be based on the budgeted costs and numbers of *Financial Ombudsman Service* staff required to deal with the volume of complaints which the *Financial Ombudsman Service* expects to receive about the *firms* in each *industry block*.
- 5.3.4 **G** ■ FEES 5 Annex 1R sets out the fee tariffs for each *industry block*.
- 5.3.5 **G** The *FCA* will specify a *minimum levy* for *firms* in each *industry block*.
- 5.3.6 **R** A *firm* must pay to the *FCA* a *general levy* towards the costs of operating the *Compulsory Jurisdiction* of the *Financial Ombudsman Service*.
- 5.3.7 **G** Under the *standard terms*, *VJ participants* will be required to pay to *FOS Ltd* an amount calculated on a similar basis towards the costs of operating the *Voluntary Jurisdiction* of the *Financial Ombudsman Service*, see ■ FEES 5 Annex 2R. *FOS Ltd* will be responsible for invoicing and collecting this amount.
- 5.3.8 **R** The *FCA* will calculate a *firm's general levy* under the *Compulsory Jurisdiction* as follows:

- (1) identify each of the tariff bases set out in ■ FEES 5 Annex 1R which apply to the *firm* for the relevant year;
- (2) for each of those tariff bases, calculate the sum payable in relation to the *relevant business* of the *firm* for that year (except *industry blocks* 2 and 4, in which case calculate the sum payable for that year) in accordance with ■ FEES 5 Annex 1R;
- (3) add together the amounts calculated under (2).

5.3.8A

R

A *VJ participant* which becomes subject to the *Financial Ombudsman Service* part way through a *financial year* must pay a proportion of the annual levy required by ■ FEES 5.3 and ■ FEES 5 Annex 2R, to be calculated as follows:

- (1) a *VJ participant* joining during the first quarter of the *financial year* will pay 100% of the annual levy;
- (2) a *VJ participant* joining during the second quarter of the *financial year* will pay 75% of the annual levy;
- (3) a *VJ participant* joining during the third quarter of the *financial year* will pay 50% of the annual levy; and
- (4) a *VJ participant* joining during the fourth quarter of the *financial year* will pay 25% of the annual levy.

5.3.9

R

For the purpose of ■ FEES 5.3.6 R and ■ FEES 5.3.8 R, a *member* of the *Society of Lloyd's* or a *managing agent* at Lloyd's will not in that capacity be treated as a *firm*. But the *Society of Lloyd's* will pay a *general levy* in respect of Lloyd's *insurance business* conducted with *eligible complainants*.

5.3.10

R

For the purpose of ■ FEES 5.3, references to *relevant business* for a *firm* which falls in *industry block* 16 or 17 and which so elects under ■ FEES 5 Annex 1R, are references to the *firm's* total amount of annual income reported in accordance with ■ FEES 4 Annex 1AR Part 3.

5.3.11

G

Schedule 6A to the *Act* sets out a procedure to enable the *FCA* to cancel or vary the *Part 4A permission* of a *person* who it appears to the *FCA* is not carrying on a *regulated activity*. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of *Part 4A permission* in specified circumstances. Where the *FCA* grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of *Part 4A permission* is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, the *general levy* and any other levy provided for under this chapter applicable to the *person*, in relation to the period during which the *person's Part 4A permission* was cancelled or varied apply to the *person*, unless the exemption in ■ FEES 5.1.4R applies.

5.4 Information requirement

- (1) A *firm* must provide the *FCA* by the end of February each year (or, if the *firm* has become subject to the *Financial Ombudsman Service* part way through the *financial year*, by the date requested by the *FCA*) with a statement of:
- (a) the total amount of *relevant business* (measured in accordance with the appropriate tariff base(s)) which it conducted; or
 - (b) in the case of *firms* in *industry blocks* 2 and 4, the gross written premium for fees purposes as defined in ■ FEES 4 Annex 1AR (unless ■ FEES 5.4.1R(1A) applies),
- as at or in the year to 31 December of the previous year as appropriate, including only business undertaken from a *branch* or establishment in the *UK* in relation to the tariff base for each of the relevant *industry blocks* set out in ■ FEES 5 Annex 1R. *Firms* that do not carry out their business from a *branch* or establishment in the *UK* will pay the *minimum levy* for each tariff base.
- (1A) A *firm* in *industry blocks* 2 and 4, has notified the *FCA* of the amount of gross written premium for fees purposes, as defined in ■ FEES 4 Annex 1AR, that relates to *relevant business*. The notification must be made by the 30 May each year.
- (2) Paragraph (1) does not apply if the *firm* pays a *general levy* on a flat fee basis only or if it is the Bank of England.
- (3) If a *firm* cannot provide a statement of the total amount of *relevant business* as required by ■ FEES 5.4.1 R, it must provide the best estimate of the amount of *relevant business* that it conducted.
- (4) For the purpose of ■ FEES 5.4.1R, references to *relevant business* for a *firm* which falls in *industry block* 16 or 17 and which so elects under ■ FEES 5 Annex 1R, are references to the *firm's* total amount of annual income reported in accordance with Part 3 of ■ FEES 4 Annex 1AR.
- (5) If a *firm* does not submit a complete statement by the date on which it is due in accordance with this *rule* and any prescribed submission procedures:
- (a) the *firm* must pay an administrative fee of £250 (but not if it is already subject to an administrative fee under ■ FEES 4 Annex 2A, Part 1, Part 1 or ■ FEES 6.5.16 R for the same *financial year*); and
 - (b) the *general levy* will be calculated using (where relevant) the valuation or valuations of business applicable to the previous period, multiplied by the factor of 1.10 (or, if a *firm* has become

subject to the *Financial Ombudsman Service* part way through the *financial year*, on the basis of the information provided to the *FCA* for the purposes of ■ FEES 4.4.2 R) or on any other reasonable basis, making such adjustments as seem appropriate in subsequent levies once the true figures are known.

- (6) Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and on the date the annulment takes effect the time for providing information in this *rule* has passed, then that time for compliance does not apply, but a *person* must comply with this *rule* on the date on which the *person's* annulment takes effect.

- 5.4.1-A **R** (1) In the case of *firms* in *industry blocks* 2 and 4 the requirements under ■ FEES 5.4.1R apply in relation to the tariff bases(s) and tariff data in ■ FEES 5 Annex 1R.

If a *firm* is a UK Solvency II firm in *industry blocks* 2 and 4 in ■ FEES 5 Annex 1R, the *FCA* may use tariff data from the previous reporting period for the periodic fees calculation if the *PRA* or the *FCA* has either:

- (a) not received the necessary tariff data in a timely basis in line with Part 3 and 5 of ■ FEES 4 Annex 1AR; or
- (b) deemed the tariff data received to be incomplete or insufficiently reliable, by reference to a specific *firm* or across all or part of the *industry block*.

- 5.4.1A **D** The information requirement set out under ■ FEES 5.4.1 R is applied under this direction to a *fee-paying payment service provider* and a *fee-paying electronic money issuer*.

- 5.4.1B **R** For *firms* in *industry blocks* 2 and 4, if the data source specified in the applicable tariff base in Part 3 of ■ FEES 4 Annex 1AR is not available to the *PRA* or *FCA* for any reason and the same data is available to the *PRA* or *FCA* from an alternative source, the *FCA* may use that alternative source to calculate the tariff rates under ■ FEES 5 Annex 1R.

- 5.4.2 **G** Failure to submit a statement in accordance with the *rules* in this chapter may also lead to the imposition of a financial penalty and other disciplinary sanctions (see ■ DEPP 6.6.1 G to ■ DEPP 6.6.5 G).

- 5.4.3 **G** ■ SUP 16.3 (General provisions on reporting) contains further *rules* on the method of submission of reports under ■ FEES 5.4.1 R.

- 5.4.4 **G** (1) From 1 April 2025, a new definition of *relevant business* is introduced. This new definition applies in relation to business done with all types of *eligible complainant* described in ■ DISP 2.7.3R. *Firms* must use this new definition for any *relevant business* conducted from 1 April 2025 onwards.

- (2) Where the pre-April 2025 *Glossary* definition of *relevant business* applies (ie, to *relevant business* of a *firm* up until 31 March 2025):
- (a) a *firm* should not provide a statement of *relevant business* if it deals only with *eligible complainants* who are not *consumers*; and
 - (b) ■ FEES 5.4.1R does not apply in relation to business done with other types of *eligible complainant* described in ■ DISP 2.7.3R(2) to ■ (7).



5.5B Case fees

Application

- 5.5B.1 **R** ■ FEES 5.5B applies to *respondents*.
- 5.5B.2 **G** *VJ participants* are included as a result of ■ DISP 4.2.6 R.
- 5.5B.3 **R** Any *firm* falling into either *industry block 13* or *industry block 15* in ■ FEES 5 Annex 1 R is not required to pay any case fee in respect of *chargeable cases* relating to those *industry blocks*.
- 5.5B.4 **G** The *firms* in *industry blocks 13* and *15* are cash plan health providers and small *friendly societies*. The case fee exemption takes into account that the amount in issue is likely to be small relative to the case fee.
- 5.5B.5 **R** A *credit union* or a *community finance organisation* which is subject to the *minimum levy* in an *industry block* is not required to pay any case fee in respect of *chargeable cases* relating to that *industry block*.
- 5.5B.6 **G** Arrangements similar to those for *firms* in *industry blocks 13* and *15* have been made for small *credit unions* under ■ FEES 5.5B.5 R.
- 5.5B.7 **R**
- (1) Any of the following *persons* which is exempt under ■ DISP 1.1.12R is also exempt from ■ FEES 5.5B:
 - (a) a *firm*;
 - (b) a *payment service provider*;
 - (c) an *electronic money issuer*;
 - (d) a *designated credit reference agency*; and
 - (e) a *designated finance platform*.
 - (2) However, a *person* will only be exempt from ■ FEES 5.5B in any *financial year* if it met the conditions in ■ DISP 1.1.12R on 31 March of the immediately preceding *financial year*.

Purpose

- 5.5B.8 **R** The purpose of ■ FEES 5.5B is to set out the requirements on *respondents* to pay fees in relation to cases referred to the *Financial Ombudsman Service*.
- 5.5B.9 **R** These fees are towards funding the *Financial Ombudsman Service*, and are invoiced and collected directly by the *FOS Ltd*.
- 5.5B.10 **G** In each of the *Financial Ombudsman Service's* jurisdictions, the *annual budget* reflects the total expected to be raised by levies plus the total expected to be raised by case fees for the relevant *financial year*.
- 5.5B.11 **G** The amount of the case fees will be subject to consultation each year.

Standard case fee

- 5.5B.12 **R** A *respondent* must pay to the *FOS Ltd* the standard case fee specified in ■ FEES 5 Annex 3R Part 1 in respect of each *chargeable case* relating to that *respondent* which is closed by the *Financial Ombudsman Service* during a *financial year* (regardless of when the *chargeable case* was referred to the *Financial Ombudsman Service*), unless the *respondent* is identified as part of a *charging group* as defined in ■ FEES 5 Annex 3R Part 3.
- 5.5B.13 **G** The exclusion of *respondents* that are identified as part of a *charging group* as defined in ■ FEES 5 Annex 3R Part 3 applies only from 1 April 2013. Those *respondents* continue to be liable for the standard case fee under ■ FEES 5.5B.12 R in respect of *chargeable cases* closed by the *Financial Ombudsman Service* before 1 April 2013.
- 5.5B.14 **R** But a *respondent* will only be liable for, and the *FOS Ltd* will only invoice for, the standard case fee in respect of the 4th and subsequent *chargeable cases* which are closed by the *Financial Ombudsman Service* in any *financial year*.
- 5.5B.15 **G** [deleted]
- 5.5B.16 **R** A *respondent* must pay to the *FOS Ltd* any standard case fee which it is liable to pay under ■ FEES 5.5B and which is invoiced by the *FOS Ltd* within 30 calendar *days* of the date when the invoice is issued by the *FOS Ltd*.

Supplementary Case fee [deleted]

- 5.5B.17 **R** [deleted]
- 5.5B.18 **G** [deleted]
- 5.5B.19 **R** [deleted]

Special case fee

5.5B.20 **R** If the *respondent* is identified as part of a *charging group* as defined in ■ FEES 5 Annex 3R Part 3, the *charging group* must pay the special case fee calculated under ■ FEES 5 Annex 3R Part 4 (from 1 April 2013) instead of the *respondent* paying the standard case fee.

5.5B.21 **R** The *FOS Ltd*:

- (1) will invoice the special case fee as described in ■ FEES 5 Annex 3R Part 4; and
- (2) may invoice the relevant *charging group* through any of the individual *respondents* in the relevant *charging group*.

5.5B.22 **R** A *charging group* must pay to the *FOS Ltd* any special case fee (including any year-end adjustment) as described in ■ FEES 5 Annex 3R Part 4 within 30 calendar *days* of the date when the invoice is issued by the *FOS Ltd*.

5.5B.23 **R** In respect of the special case fee, individual *respondents* are jointly and individually liable for the obligations of the *charging group* of which they are identified as forming part in ■ FEES 5 Annex 3R Part 3.

Leaving the Financial Ombudsman Service

5.5B.24 **R** Where a *respondent* ceases to be a *firm*, *payment service provider*, *electronic money issuer*, *CBTL firm*, a *designated credit reference agency*, a *designated finance platform*, *VJ participant* or *claims management company* (as the case may be) part way through a *financial year* it will remain liable to pay case fees under ■ FEES 5.5B in respect of cases within the jurisdiction of the *Financial Ombudsman Service*.

Late payment of case fees

5.5B.25 **R** If a *respondent* does not pay a case fee payable under ■ FEES 5.5B in full to the *FOS Ltd* before the end of the date on which it is due, that *respondent* must pay to the *FOS Ltd* in addition:

- (1) an administrative fee of £250; plus
- (2) interest on any unpaid amount at the rate of 5% per annum above the Official Bank Rate from time to time, accruing on a daily basis from the date on which the amount concerned became due.

5.5B.26 **G** The *FOS Ltd* may take steps to recover any money owed to it (including interest).

Time limit for making a claim for the remission or repayment of case fees

5.5B.27 **R** In relation to any case fee which was invoiced by *FOS Ltd* under ■ FEES 5.5B on or after 1 April 2023, no claim for the remission or repayment of all or part of the case fee (or any interest or administrative fee due under

■ FEES 5.5B.25R in relation to it) may be made to *FOS Ltd* more than 1 year after the date on which the case fee was invoiced (irrespective of when or whether the amounts in question were paid to *FOS Ltd*).

5.5B.28

R

In relation to a case fee which was invoiced by *FOS Ltd* under ■ FEES 5.5B before 1 April 2023, and subject to any rule of law prescribing a shorter time period for making such a claim, no claim for the remission or repayment of all or part of the case fee (or any interest or administrative fee due under ■ FEES 5.5B.25R in relation to it) may be made to *FOS Ltd* on or after 31 March 2024 (irrespective of when or whether the amounts in question were paid to *FOS Ltd*).

5.5B.29

R

The *FOS Ltd* may allow a claim to be made outside the time limits prescribed in ■ FEES 5.5B.27R and ■ FEES 5.5B.28R if it is satisfied that the failure to make a claim within the time limits prescribed was as a result of exceptional circumstances.



5.6 [deleted]

- 5.6.1 **G** [deleted]
- 5.6.2 **G** [deleted]
- 5.6.3 **G** [deleted]
- 5.6.4 **G** [deleted]
- 5.6.5 **R** [deleted]
- 5.6.6 **R** [deleted]
- 5.6.7 **G** [deleted]

5.7 Payment

5.7.1 **R** A *firm* must pay annually to the *FCA* the *general levy* on or before the later of 1 April and 30 calendar *days* after the date when the invoice is issued by the *FCA*.

5.7.1A **R** Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and on the date the annulment takes effect the time for payment in **■ FEES 5.7.1R** has passed, then that time for payment in that *rule* does not apply, but a *person* must pay to the *FCA* the *general levy* on the date on which the *person's* annulment takes effect.

5.7.2 **R** [deleted]

5.7.2A **R** [deleted]

5.7.3 **R** [deleted]

5.7.4 **R** A *firm* liable to pay fees under **■ FEES 5.7.1R** must do so using one of the methods set out in **■ FEES 2.1.12R** (unless **■ FEES 2.1.13R** applies) save that no additional amount or discount is applicable.

Extension of time

5.7.5 **R** A *firm* need not pay the *general levy* on the date on which it is due under the relevant provision in **■ FEES 5.7.1R**, if that date falls during a period during which circumstances of the sort set out in **■ GEN 1.3.2R** (Emergency) exist, and that *firm* has reasonable grounds to believe that those circumstances impair its ability to pay the fee, in which case it must be paid on or before the fifth *business day* after the end of that period.



5.8 Joining the Financial Ombudsman Service

- 5.8.1** **R** A *firm* which becomes subject to the *Financial Ombudsman Service* part way through a *financial year* must pay a rateable proportion of the *general levy* in accordance with the provisions of ■ FEES 4.2.7ER to ■ FEES 4.2.7KR.
- 5.8.2** **R**
- (1) This *rule* deals with the calculation of:
 - (a) a *firm's general levy* in the 12 *months* ending on the 31 March in which it obtains *permission*, or was authorised under the *Payment Services Regulations* or the *Electronic Money Regulations* or had its *permission and/or payment services* activities extended (relevant permissions) and the following 12 months ending on the 31 March; and
 - (b) the tariff base for the industry blocks that relate to each of the relevant permissions.
 - (2) Unless this *rule* says otherwise, the tariff base is calculated using the projected valuation for its first year of the business to which the tariff relates.
 - (3) The rest of this *rule* only applies to a *firm* that becomes authorised, or extends its *permission and/or payment services* activities.
 - (a) If the tariff base is calculated using data from a period that begins on or after the date that the *firm* obtains the relevant permission to which that tariff base relates, the *firm* must use that data.
 - (b) If a *firm* satisfies the following conditions it must calculate its tariff base under (c) for the *FCA* financial year following the *FCA* financial year it obtained a relevant permission:
 - (i) the *firm* receives a relevant permission between 1 April and 31 December inclusive; and
 - (ii) the *firm's* tariff base for that relevant permission is, but for this *rule*, calculated by reference to the *firm's* financial year ended in the calendar year ending on the 31 December before the start of the *FCA* financial year or the twelve *months* ending 31 December before the start of the *FCA* financial year.
 - (c) If a *firm* satisfies the conditions in (b) it must calculate its tariff base as follows:
 - (i) it must use actual data in relation to the business to which the tariff relates rather than projected valuations;

- (ii) the tariff is calculated by reference to the period beginning on the date it acquired the relevant permission relating to the tariff and ending on the 31 December before the start of the *FCA* financial year; and
- (iii) the figures are annualised by increasing them by the same proportion as the period of 12 *months* bears to the period starting from when the *firm* received any relevant permissions to 31 December.
- (d) Where a *firm* is required to use the method in (c) it must notify the *FCA* of its intention to do so by the date specified in ■ FEES 5.4 (Information requirement).
- (e) Where a *firm* is required to use actual data under this *rule*, ■ FEES 4 Annex 1AR Part 5 is modified in relation to the calculation of that *firm's* valuation date in its second financial year.

Application of FEES 5.8.2R

5.8.3

G

The table below sets out the period within which a *firm's* tariff base is calculated (the data period) for second year levies calculated under ■ FEES 5.8.2R. These examples are based on a *firm* that acquires *permission* on 1 November 2023 and has a financial year ending 31 March. Where valuation dates fall before the *firm* receives *permission* it should use projected valuations in calculating its levies.

References in this table to dates or months are references to the latest one occurring before the start of the *FCA's* financial year unless otherwise stated.

Type of permission acquired on 1 November	Tariff base	Valuation date but for FEES 5.8.2R	Data period under FEES 5.8.2R
Insurers - general (excluding <i>firms</i> in blocks 13 and 15)	Gross written premium for fees purposes as defined in FEES 4 Annex 1AR (GWP); or Gross written premium notified to the <i>FCA</i> under FEES 5.4.1R(1A) that relates to the <i>firm's relevant business</i> (RGWP)	31 March 2023 - so projected valuations will be used	1 November to 31 December 2023
Portfolio managers (including those holding <i>client money/assets</i> and not holding <i>client money/assets</i>)	Flat fee	Valued at 31 December	Valued at 31 December
Advisors, <i>arrangers</i> , dealers or brokers holding and control	Annual income as defined in FEES 4 Annex 11AR, relating to	31 December. This is because the <i>firm's</i> tariff	1 November to 31 December but annualised in accordance

ling <i>client money and/or assets</i>	<i>firm's relevant business</i>	base is calculated by reference to the <i>firm's</i> financial year end in the calendar year before the start of the <i>FCA fee year</i> . Therefore FEES 5.8.2R (3)(c) applies.	with FEES 5.8.2R (3)(c)(iii)
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5

5.9.1 **R** [deleted]

5.9.1A **R** [deleted]

5.9.2 **G** [deleted]

5.9.3 **G** [deleted]



5.9 [deleted]

Annual General Levy Payable in Relation to the Compulsory Jurisdiction for 2023/24

Introduction: annual budget

1. The *annual budget* for 2023/24 approved by the FCA is £234.2m.
2. The total amount expected to be raised through the *general levy* in 2023/24 will be £106m. .

Compulsory jurisdiction - general levy

Industry block	Tariff base	General levy payable by firm
1-Deposit acceptors, <i>home finance providers, home finance administrators</i> (excluding <i>firms</i> in block 14) and <i>dormant asset fund operators</i>	Number of accounts relevant to the activities in DISP 2.6.1 R as at 31 December In the case of <i>dormant asset fund operators</i> , the tariff base is the number of eligible activated accounts (8).	£0.1261 per relevant account, subject to a minimum levy of £100
2-Insurers - general (excluding <i>firms</i> in blocks 13 & 15)	Gross written premium for fees purposes as defined in FEES 4 Annex 1AR (GWP); or Gross written premium notified to the FCA under FEES 5.4.1R(1A) that relates to the <i>firm's relevant business</i> (RGWP)	£0.3816 per £1,000 of GWP or RGWP, subject to a minimum levy of £100
3-The <i>Society</i> (of Lloyd's)	Not applicable	£105,410 to be allocated by the <i>Society</i>
4-Insurers - life (excluding <i>firms</i> in block 15)	Gross written premium for fees purposes as defined in FEES 4 Annex 1AR (GWP); or Gross written premium notified to the FCA under FEES 5.4.1R(1A) that relates to the <i>firm's relevant business</i> (RGWP)	£0.0509 per £1,000 of GWP or RGWP, subject to a minimum levy of £130
5. Portfolio managers (including those holding <i>client money/assets</i> and not holding <i>client money/assets</i>)	Flat fee	Levy of £210
6. Managers and depositaries of investment funds, and operators of collective investment schemes or pension schemes	Flat fee	Levy of £60
7-Dealers as principal	Flat fee	Levy of £75
8-Advisors, <i>arrangers</i> , dealers or brokers holding and controlling <i>client money</i> and/or assets	Annual income as defined in FEES 4 Annex 11AR relating to <i>firm's relevant business</i> .	£0.383 per £1,000 of annual income subject to a minimum fee of £45
9-Advisors, <i>arrangers</i> , dealers	Annual income as defined in	£0.265 per £1,000 of annual in-

Industry block	Tariff base	General levy payable by firm
or brokers not holding and controlling <i>client money</i> and/or assets	FEES 4 Annex 11AR relating to <i>firm's relevant business</i> .	come subject to a minimum fee of £45
10-Corporate finance advisers	Flat fee	Levy of £55
11-fee-paying payment service providers (but excluding firms in any other Industry block except Industry block 18)	For authorised payment institutions, registered account information service providers, electronic money issuers (except for small electronic money institutions), the Post Office Limited, the Bank of England, government departments and local authorities, TA EMI firms, TA PI firms and TA RAISP firms, relevant income as described in FEES 4 Annex 11R Part 3	£0.0044 per £1,000 of relevant income subject to a minimum levy of £75
	For small payment institutions and small electronic money institutions a flat fee	Levy of £35
13-Cash plan health providers	Flat fee	Levy of £65
14-Credit unions	Flat fee	Levy of £55
15-Friendly societies whose tax-exempt business represents 95% or more of their total relevant business	Flat fee	Levy of £65
16-Home finance providers, advisers and arrangers (excluding firms in blocks 13, 14 & 15)	Flat fee	Levy of £85
17 - General insurance distribution (excluding firms in blocks 13, 14 & 15)	Annual income (as defined in MIPRU 4.3) relating to <i>firm's relevant business</i>	£0.8840 per £1,000 of <i>annual income</i> (as defined in MIPRU 4.3) relating to <i>firm's relevant business</i> subject to a minimum levy of £100
18 - fee-paying electronic money issuers	For all fee-paying electronic money issuers except for small electronic money institutions, and TA EMI firms, average outstanding electronic money, as described in FEES 4 Annex 11R Part 3.	£0.0001 per £1,000 of average outstanding electronic money subject to a minimum levy of £40
	For small electronic money institutions, a flat fee	Levy of £50
19 - Credit-related regulated activities with limited permission	For not-for-profit debt advice bodies, a flat fee	Levy of £0
	For all other firms with limited permission, a flat fee	Levy of £35
20 - Credit-related regulated activities	Annual income as defined in FEES 4 Annex 11BR	Levy of £35 Plus £1.497 per £1,000 of annual income on income above £250,000
21 - CBTL firms that do not have permission to carry out any regulated activities	Flat fee	Levy of £35

Industry block	Tariff base	General levy payable by firm
22 - <i>designated credit reference agencies</i> (but excluding <i>firms</i> in any other <i>industry block</i>)	Flat fee	Levy of £75
23 – <i>designated finance platforms</i> (but excluding <i>firms</i> in any other <i>industry block</i>)	Flat fee	Levy of £75
24 – <i>claims management companies</i>	Annual income	Levy of £50 plus £0.78 per £1,000 of annual income
25 – <i>funeral plan intermediaries</i> and <i>funeral plan providers</i>	Flat fee	Levy of £35

Notes

- 4 [not used]
- 5 The *industry blocks* in the table are based on the equivalent activity groups set out in Part 1 of FEES 4 Annex 1AR, and Part 2 and Part 2A of FEES 4 Annex 11R.
- 6 Where the tariff base in the table is defined in similar terms as that for the equivalent activity group in Part 3 of FEES 4 Annex 1AR, or Part 3 of FEES 4 Annex 11R, it must be calculated in the same way as that tariff base - taking into account only the *firm's relevant business* (except for *firms* in *industry blocks* 2 and 4).
- 7 [deleted]
- 8 Eligible activated accounts are the number of *repayment claims* met by the *dormant asset fund operators* as at 31 December.

Annual Levy Payable in Relation to the Voluntary Jurisdiction 2024/25

Voluntary jurisdiction - annual levy for VJ participants				
Industry block and business activity		Tariff basis	Tariff rate	Minimum levy
1V	Deposit acceptors, mortgage lenders and mortgage administrators and debit/credit/charge card issuers and merchant acquirers	number of accounts relevant to the activities in DISP 2.5.1 R	£0.0169	£100
2V	<i>VJ participants</i> undertaking general insurance activities	per £1,000 of gross written premium	£0.0625	£100
3V	<i>VJ participants</i> undertaking life insurance activities	per £1,000 of gross written premium	£0.0152	£100
6V	Intermediaries	n/a	n/a	£75
7V	Freight-forwarding companies	n/a	n/a	£75
8V	National Savings & Investments	n/a	n/a	£10,000
9V	[deleted]	[deleted]	[deleted]	[deleted]
10V	Persons not covered by 1V to 8V undertaking activities which are: (a) <i>regulated activities</i> ; or (b) <i>payment services</i> ; or would be if they were carried on from an establishment in the <i>United Kingdom</i>	n/a	n/a	£75
12V	Persons undertaking the activity which is the issuance of electronic money or would be if carried on from an establishment in the <i>United Kingdom</i>	n/a	n/a	£75
13V	Persons not covered by 1V to 8V undertaking activities which are CBTL activities or would be if they were carried on from an establishment in the <i>United Kingdom</i>	n/a	n/a	£75
14V	Persons not covered by 1V to 8V providing <i>credit information</i> , under the <i>Small and Medium Sized Business (Credit Information) Regulations</i> or providing <i>specified information</i> under the <i>Small and Medium Business (Finance Platforms) Regulations</i> or would be if it was carried on from an establishment in the <i>United Kingdom</i>	n/a	n/a	£75

Voluntary jurisdiction - annual levy for VJ participants

15V	<i>VJ participants</i> undertaking activities relating to <i>claims management services</i>	annual income	£50 plus £3 per £1,000 of annual income	£75
16V	<i>VJ participants</i> undertaking activities which are <i>regulated funeral plan activities</i> or would be if: (a) they were carried on from an establishment in the <i>United Kingdom</i> ; and/or (b) they were carried on in relation to a funeral in the <i>United Kingdom</i> .	n/a	n/a	£75

Notes

(1) For the purposes of FEES 5 Annex 2R and for *VJ participants* undertaking general insurance activities (*industry block 2V*) 'gross written premium' means:

(a) if subject to reporting requirements under the *Solvency II Directive*, the total of items entered under row codes R0110, R0120 and R0130, as expressed in column code C0200 where this column is completed for those row codes, of the annual quantitative reporting template S.05.01.01 but only in relation to the *relevant business* of the *VJ participant* (in accordance with DISP 4.2.6(5)R and FEES 5.3.8R); and

(b) if not subject to reporting requirements under the *Solvency II Directive*, the gross premiums written but only in relation to the *relevant business* of the *VJ participant* (in accordance with DISP 4.2.6(5)R and FEES 5.3.8R).

(2) For the purposes of FEES 5 Annex 2R and for *VJ participants* undertaking life insurance activities (*industry block 3V*) 'gross written premium' means:

(a) if subject to reporting requirements under the *Solvency II Directive*, the item entered under row code R1410, column code C0300 of the annual quantitative reporting template S05.01.01 minus corporate pension business under the annual quantitative reporting template S14.01.01 but only in relation to the *relevant business* of the *VJ participant* (in accordance with DISP 4.2.6(5)R and FEES 5.3.8R); and

(b) if not subject to reporting requirements under the *Solvency II Directive*, the *minimum levy* would apply.

(3) 'Annual quantitative reporting template' has the meaning given in Fees Chapter 1 Application and Definitions of the *PRA Rulebook*.

(4) 'Corporate pension business' has the meaning given in Fees Chapter 1 Application and Definitions of the *PRA Rulebook*.

(5) For *VJ participants* undertaking activities relating to *claims management services* (fee-block 15V): Income is defined as turnover.

"Turnover" means the sum of the amounts paid to, or received by, a *VJ participant* in respect of activities relating to *claims management services* carried on from an establishment in the *UK* or elsewhere in the *EEA* which are not *regulated claims management activity*, including:

(a) charges, commission, the share of any compensation, fees and subscriptions;

(b) the monetary value of any services received by the *VJ participant* where it makes no payment for those services or where the payment received is worth less than the monetary value of the services; and

(c) the monetary value of any advertising in respect of the *VJ participant* that it has not paid for out of funds referred to in sub-paragraphs (a) and (b).

"Annual income" means the *VJ participant's* annual turnover for the financial year ended in the calendar year ending 31 December.

Case Fees Payable for 2024/25

Part 1 - Standard case fees

In the:	Standard case fee
Compulsory jurisdiction and Voluntary jurisdiction	£650 unless it is a <i>not-for-profit debt advice body with limited permission</i> in which case the amount payable is £0

Notes

- 1 The definition of standard case fee is in FEES 5.5B (Case fees). The definition of *chargeable case* is in the Glossary to the *Handbook*.
- 2 The standard case fee will be invoiced by the *FOS Ltd* on or after the date the case is closed.
- 3 A *respondent* will only be invoiced a case fee for the 4th and subsequent *chargeable case* in each *financial year*.
- 4 The definition of *not-for-profit debt advice body* is in the Glossary to the *Handbook*.
- 5 The definition of *limited permission* is in the Glossary to the *Handbook*.

Part 2 - Supplementary case fees [deleted]

Part 3 - Charging groups

The *charging groups*, and their constituent *group respondents*, are listed below. They are based on the position at 31 December immediately preceding the *financial year*. For the purposes of calculating, charging, paying and collecting the special case fee, they are not affected by any subsequent change of ownership.

- 1 Barclays Group, comprising the following *firms*:
 - Barclays Asset Management Limited
 - Barclays Bank Plc
 - Barclays Bank UK Plc
 - Barclays Capital Securities Limited
 - Barclays Insurance Services Company Limited
 - Barclays Investment Solutions Limited
 - Barclays OCIO Services Limited
 - Barclays Private Clients International Limited
 - Barclays Security Trustee Limited
 - Barclays Sharedealing

2

Barclays Stockbrokers Limited
Clydesdale Financial Services Limited
Firstplus Financial Group Plc
Gerrard Financial Planning Ltd

Oak Pension Asset Management Limited
Standard Life Bank Plc
Woolwich Plan Managers Limited

HSBC Group, comprising the following *firms*:

B & Q Financial Services Limited
HFC Bank Limited
HSBC Alternative Investments Limited
HSBC Bank Malta plc
HSBC Bank plc
HSBC Bank USA NA, London Branch
HSBC Equipment Finance (UK) Limited
HSBC Finance Limited

HSBC Global Asset Management (France)
HSBC Global Asset Management (UK) Limited
HSBC International Financial Advisers (UK) Limited
HSBC Investment Funds

HSBC Life (UK) Limited
HSBC Private Bank (Luxembourg) S.A.
HSBC Private Bank (UK) Limited
HSBC Securities (USA) Inc

HSBC Trinkaus & Burkhardt AG
HSBC Trust Company (UK) Ltd

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HSBC UK Bank plc
John Lewis Financial Services Limited
Marks & Spencer Financial Services plc
Marks & Spencer Savings and Investments Ltd
Marks & Spencer Unit Trust Management Limited
The Hongkong and Shanghai Banking Corporation Limited
Lloyds Banking Group, comprising the following *firms*:

Aberdeen Investment Solutions Limited
AMC Bank Ltd
Bank of Scotland (Ireland) Limited
Bank of Scotland Plc
Black Horse Finance Limited
Black Horse Limited
BOS Personal Lending Limited
Cavendish Online Limited
Cheltenham & Gloucester plc
Clerical Medical Financial Services Limited
Clerical Medical Investment Fund Managers Ltd
Clerical Medical Investment Group Limited

Clerical Medical Managed Funds Limited
EBS Pensions Limited
Embark Investment Services Ltd
Embark Investments Ltd
Embark Services Ltd
Halifax Assurance (Ireland) Limited

Halifax Financial Brokers Limited
Halifax General Insurance Services Limited

Halifax Insurance Ireland Ltd
Halifax Investment Services Ltd
Halifax Life Limited
Halifax Share Dealing Limited
HBOS Investment Fund Managers Limited
Housing Growth Partnership Manager Limited
HVF Limited
Hyundai Car Finance Limited
International Motors Finance Limited
Invista Real Estate Investment Management Limited

IWeb (UK) Limited
LDC (Managers) Limited
Legacy Renewal Company Limited

Lex Autolease Ltd
Lex Autolease Carselect Limited
Lex Vehicle Leasing Ltd
Lloyds Bank Corporate Markets Plc
Lloyds Bank General Insurance Limited
Lloyds Bank Insurance Services Limited
Lloyds Bank Plc
Lloyds Bank Private Banking Limited
Lloyds Development Capital (Holdings) Limited
Lloyds TSB Financial Advisers Limited

Loans.co.uk Limited
MBNA Limited
NFU Mutual Finance Limited
Pensions Management (SWF) Limited
Scottish Widows Administration Services Limited
Scottish Widows Annuities Limited
Scottish Widows Bank Plc
Scottish Widows Fund Management Limited
Scottish Widows Limited
Scottish Widows plc
Scottish Widows Schroder Personal Wealth (ACD) Limited
Scottish Widows Schroder Personal Wealth Limited

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Scottish Widows Unit Funds Limited
Scottish Widows Unit Trust Managers Limited
Shogun Finance Limited
St Andrew's Insurance plc
St Andrew's Life Assurance Plc
Sterling ISA Managers Ltd
Suzuki Financial Services Limited
SW Funding plc
The Mortgage Business Plc

United Dominions Trust Limited
NatWest Group, comprising the following *firms*:

Coutts & Company
Coutts Finance Company
Cushon Money Limited
FreeAgent Central Limited
JCB Finance Ltd
Lombard Finance Ltd
Lombard North Central Plc
National Westminster Bank Plc
National Westminster Home Loans Limited
NatWest Markets N.V.
NatWest Markets Plc
NatWest Trustee and Depositary Services Limited
RBOS (UK) Limited
RBS Asset Management (ACD) Ltd
RBS Asset Management Ltd
RBS Collective Investment Funds Limited
RBS Equities (UK) Limited
RBS Investment Executive Limited
The Royal Bank of Scotland Group Independent Financial Services Limited
The Royal Bank of Scotland International Limited
The Royal Bank of Scotland Plc

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Ulster Bank Ltd
Aviva Group, comprising the following *firms*:
Aviva Administration Limited
Aviva Annuity UK Limited
Aviva Credit Services UK Limited
Aviva Equity Release UK Limited
Aviva Health UK Limited
Aviva Insurance Limited

Aviva Insurance Services UK Limited
 Aviva Insurance UK Limited
 Aviva International Insurance Limited
 Aviva Investment Solutions UK Limited
 Aviva Investors Global Services Limited

 Aviva Investors Pensions Limited
 Aviva Investors UK Funds Limited
 Aviva Investors UK Fund Services Limited

 Aviva Life & Pensions UK Limited
 Aviva Life Services UK Limited
 Aviva Pension Trustees UK Limited
 Aviva UK Digital Limited
 Aviva Wrap UK Limited
 Bankhall Support Services Limited
 CGU Bonus Limited
 CGU Underwriting Limited
 Commercial Union Life Assurance Company Limited
 Friends Annuities Limited
 Friends Life and Pensions Limited
 Friends Life FPLMA Limited
 Friends Life Funds Limited
 Friends Life Investment Solutions Limited
 Friends Life Limited
 Friends Life Marketing Limited
 Friends Life Services Limited
 Friends Provident International Limited
 Gresham Insurance Company Limited
 Hamilton Life Assurance Company Limited
 Hamilton Insurance Company Limited
 Norwich Union Life (RBS) Limited

 Scottish Boiler and General Insurance Company Ltd
 Sesame Limited
 The Ocean Marine Insurance Company Limited

6 Direct Line Group, comprising the following *firms*:
 Churchill Insurance Company Limited

UK Insurance Business Solutions Limited
 UK Insurance Limited

7 Nationwide Building Society Group comprising the following *firms*:
 Cheshire Building Society

8

Derbyshire Building Society
 Derbyshire Home Loans Ltd
 E-Mex Home Funding Limited
 Nationwide Building Society
 Nationwide Independent Financial Services Limited
 Portman Building Society
 The Mortgage Works (UK) Plc
 UCB Home Loans Corporation Ltd
 Santander Group, comprising the following *firms*:
 Abbey Stockbrokers Limited
 Cater Allen Limited
 Hyundai Capital UK Limited
 Santander Cards UK Limited
 Santander Consumer (UK) Plc
 Santander Financial Services Plc
 Santander ISA Managers Limited
 Santander UK Plc

Part 4 - Special case fees

The special case fee shall be calculated and paid as follows:

1

Proportions:

(1) In the calculation that follows in (4) immediately below:

new chargeable cases for group respondents -

E = twice the number of *new chargeable cases* that were referred to the *Financial Ombudsman Service* in respect of *group respondents* from 1 July to 31 December (both dates inclusive) in the immediately preceding *financial year*.

new chargeable cases for all firms -

F = twice the number of *chargeable cases* referred to the *Financial Ombudsman Service* in respect of all *firms* (whether or not they are part of a *charging group*) from 1 July to 31 December (both dates inclusive) in the immediately preceding *financial year*.

open chargeable cases for group respondents -

G = the number of *chargeable cases* that were referred to the *Financial Ombudsman Service* in respect of *group respondents* before 1 January in the immediately preceding *financial year* which had not been closed before 1 January in the immediately preceding *financial year*.

open chargeable cases for all firms -

H = the number of *chargeable cases* referred to the *Financial Ombudsman Service* in respect of all *firms* (whether or not they are part of a *charging group*) before 1 January in the immediately preceding *financial year* which had not been closed before 1 January in the immediately preceding *financial year*.

(2) [deleted]

(3) [deleted]

(4) 'Proportion Z' for each *charging group* is a percentage calculated as follows -
 $\{E + G\} / \{F + H\} \times 100$

2 The special case fee is intended to broadly reflect the budgeted workload capacity of the *Financial Ombudsman Service* and comprises elements in respect of closed *chargeable cases* with no free case allowance.

3 The special case fee for each *charging group* is a total amount calculated as follows:

{£650 x 225,000 x the 'Proportion Z'}

4 The *FOS Ltd* will invoice each *charging group* for the special case fee (calculated as above) in four equal instalments, payable in advance on the following dates during the *financial year*:

(1) 1 April (or, if later, when *FOS Ltd* has sent the invoice);

(2) 1 July;

(3) 1 October; and

(4) 1 January.

- 5
- Year-end adjustment:
- (1) [deleted]
- (2) If the actual number of *chargeable cases* closed by the *Financial Ombudsman Service* in respect of *group respondents* during the *financial year* is more than 105% of {225,000 x the 'Proportion Z':
- (a) the *FOS Ltd* will invoice the relevant charging group; and
- (b) the relevant *charging group* will pay to *FOS Ltd*;
- an additional £65,000 for each block of 100 (or part thereof) closed *chargeable cases* over the 105%.
- (3) If the actual number of *chargeable cases* closed by the *Financial Ombudsman Service* in respect of *group respondents* during the *financial year* is less than 95% of {225,000 x the 'Proportion Z'}, the *FOS Ltd* will promptly repay to the relevant charging group £65,000 for each block of 100 (or part thereof) closed *chargeable cases* under the 95%.

Definition of annual income for the purposes of the FOS general levy where the firm is a claims management company

Annual income definition

Income is defined as turnover.

“Turnover” means the sum of the amounts paid to, or received by, an authorised *claims management company* in respect of *regulated claims management activities* in *Great Britain*, including:

- (a) charges, commission, the share of any compensation, fees and subscriptions;
- (b) the monetary value of any services received by the *claims management company* where it makes no payment for those services or where the payment received is worth less than the monetary value of the services; and
- (c) the monetary value of any advertising in respect of the *claims management company* that it has not paid for out of funds referred to in sub-paragraphs (a) and (b).

Chapter 6

Financial Services Compensation Scheme Funding

6.1 Application

- 6.1.1** **R** This chapter applies to:
- (1) every *participant firm*;
 - (2) the *FSCS*; and
 - (3) the *Society*.
- 6.1.2** **G**
- (1) Firms which are not *participant firms* (such as certain types of service companies, ICVCs and, for the purposes of **FEES 6**, *pre-IP completion day incoming EEA firms*) are not required to contribute towards the funding of the compensation scheme.
 - (2) The fees levied in relation to the carrying on of *insurance market activities* by *members* will be imposed on the *Society* rather than individually on each *member* (see **FEES 6.3.24 R**).
- 6.1.3** **G**
- Purpose**
- The purpose of this chapter is to set out the requirements on *participant firms* to pay levies imposed by the *FSCS* to provide funding for its functions under *COMP*. The *PRA Rulebook* deals with funding for the *FSCS*'s functions for depositor protection and policyholder protection.
- 6.1.4** **G**
- General structure**
- Section 213(3)(b) of the *Act* requires the *appropriate regulator* to make *rules* to enable the *FSCS* to impose levies on *authorised persons*, and on *recognised investment exchanges* that are *operating a multilateral trading facility* or *operating an organised trading facility*, in order to meet its expenses. These expenses include in particular expenses incurred, or expected to be incurred, in paying compensation, borrowing or insuring risks.
- 6.1.4A** **G**
- Section 224F of the *Act* enables the *appropriate regulator* to make *rules* to enable the *FSCS* to impose levies on *authorised persons* (or any class of *authorised persons*) in order to meet its management expenses incurred if, under Part 15A of the *Act*, it is required by HM Treasury to act in relation to *relevant schemes*. But those *rules* must provide that the *FSCS* can impose a levy only if the *FSCS* has tried its best to obtain reimbursement of those expenses from the *manager of the relevant scheme*.

- 6.1.5 **G** The *FSCS* may impose three types of levy: a *management expenses levy* (consisting of a *base costs levy* and a *specific costs levy*), a *compensation costs levy* and a *MERS levy*. The *FSCS* has discretion as to the amount and timing of the levies imposed.
- 6.1.6 **G** In calculating a *compensation costs levy*, the *FSCS* may include up to the greater of one third of the *compensation costs* expected in the 36-month period following the 1 April of the *financial year* of the *compensation scheme* in relation to which the levy is imposed, or the *compensation costs* expected in the 12 *months* following that date.
- 6.1.6A **G** The total amount of all *management expenses levies* attributable to a *financial year* and levied by the *FSCS* under this chapter or under the *PRA Rulebook* will be restricted to the amount set out on an annual basis in ■ FEES 6 Annex 1 R.
- 6.1.7A **G** In order to allocate a share of the amount of *specific costs* and *compensation costs* to be funded by an individual *participant firm*, the funding arrangements are split into seven *classes*: the General Insurance Distribution Claims *class*; the Investment Intermediation Claims *class*; the Investment Provision Claims *class*; the Home Finance Intermediation Claims *class*; the Debt Management Claims *class*; the *deposit acceptors' contribution class*; and the Funeral Plans Claims *class*. The *permissions* held by a *participant firm* determine into which *class*, or *classes*, it falls.
- 6.1.8 **G** The provisions on the allocation of levies to *classes* meet a requirement of section 213(5) of the *Act* that the *FCA*, in making rules to enable the *FSCS* to impose levies, must take account of the desirability of ensuring that the amount of the levies imposed on a particular class of *authorised person* reflects, so far as practicable, the amount of claims made, or likely to be made, in respect of that class of person.
- 6.1.9 **G** **The management expenses levy**.....
Section 223 of the *Act* (Management expenses) prevents the *FSCS* from recovering, through a levy, any *management expenses* attributable to a particular period in excess of the limit set in *COMP* as applicable to that period. 'Management expenses' are defined in section 223(3) to mean expenses incurred or expected to be incurred by the *FSCS* in connection with its functions under the *Act*, except:
- (1) expenses incurred in paying compensation;
 - (2) expenses incurred as a result of the *FSCS* making the arrangements to secure continuity of insurance to make payments to or in respect of policyholders or to safeguard policyholders, under *PRA rules* made under sections 216(3) or (4), 217(1) or 217(6) of the *Act*;
 - (2A) expenses incurred as a result of the *FSCS* making the arrangements to secure continuity of *funeral plan contracts* or to make payments under *FCA rules* made under sections 215A(3) or (4) of the *Act*;

- (3) expenses incurred under section 214B or section 214D of the *Act* as a result of the *FSCS* being required by HM Treasury to make payments in connection with the exercise of the stabilisation power under Part 1 of the Banking Act 2009; and
- (4) expenses incurred under Part XVA of the *Act* as a result of the *FSCS* being required by HM Treasury to act in relation to a *relevant scheme*.

6.1.10 G A *management expenses levy* may consist of two elements. The first is a *base costs levy*, for 50% of the base costs of running the *compensation scheme* in a *financial year*, that is, costs which are not dependent upon the level of activity of the *compensation scheme* and which therefore are not attributable to any specific *class*. The *PRA* allocates the other 50% of the base costs under its rules. Included in base costs are items such as the salary of the members of the board of the *FSCS*, the costs of the premises which the *FSCS* occupies, and its audit fees. It would also likely include the cost of any insurance cover secured by *FSCS* against the risk of it paying claims out in circumstances where the *levy limit* of the particular *class* to which the claim would otherwise be attributable has exceeded its *levy limit* for the year, as the insurance cover is likely to benefit all *classes* which may have costs allocated to them if the *levy limit* of another *class* is breached. The amount that each *participant firm* pays towards a *base costs levy* is calculated by reference to the *regulatory costs* paid by the *firm*. All *participant firms* are liable to contribute towards a *base costs levy*.

6.1.11A G The second element of a *management expenses levy* is a *specific costs levy* for the "specific costs" of running the *compensation scheme* in a *financial year*. These costs are attributable to a *class*, and include the salary costs of certain staff of the *FSCS* and claims handling and legal and other professional fees. It also may include the cost of any insurance cover that *FSCS* secures against the risk of *FSCS* paying out claims above a given level in any particular *class* (but below the *levy limit* for that *class* for the year). When the *FSCS* imposes a *specific costs levy*, the levy is allocated to the *class* which gives rise to those costs up to the relevant *levy limits*. *Specific costs* attributable to certain *classes*, which exceed the *class levy limits*, may be allocated to the *retail pool*. The *FSCS* may include in a *specific costs levy* the *specific costs* that the *FSCS* expects to incur (including in respect of defaults not yet declared at the date of the levy) during the *financial year* of the *compensation scheme* to which the levy relates. The amount that each *participant firm* pays towards the *specific costs levy* imposed on a *class* is calculated by reference to the amount of business conducted by the *firm* in that *class*, or *categories* within that *class*. Each *class* or *category* has a "tariff base" for this purpose, set out in ■ FEES 6 Annex 3AR. *Participant firms* may be exempt from contributing to the *specific costs levy*.

6.1.12 G [deleted]

6.1.13 G The limit on the *management expenses* attributable to the forthcoming *financial year* of the *compensation scheme* will be consulted on in January each year.

The compensation costs levy

6.1.14 **G** In imposing a *compensation costs levy* in each *financial year* of the *compensation scheme* the *FSCS* will take into account the *compensation costs* which the *compensation scheme* has incurred and has not yet raised through levies, any recoveries it has made using the rights that have been assigned to it or to which it is subrogated and a further amount calculated taking into account:

- (1) [deleted]
- (2) [deleted]
- (3) the *compensation costs* it expects to incur in the *financial year* of the *compensation scheme* in relation to which the levy is imposed; or, if greater
- (4) one third of the *compensation costs* it expects to incur in the 36 *months* following 1 April of the *financial year* of the *compensation scheme* in relation to which the levy is imposed (see ■ FEES 6.3.1R (Imposing management expenses and compensation costs levies)).

6.1.15 **G** *Compensation costs* are principally the costs incurred in paying compensation. Costs incurred:

- (1) [deleted]
- (2) [deleted]
- (3) [deleted]
- (4) as a result of the *FSCS* being required by HM Treasury to make payments in connection with the exercise of the stabilisation power under Part 1 of the Banking Act 2009;
- (5) in paying interest, principal and other costs from borrowing to allow the *FSCS* to pay claims attributable to a particular *class*; or
- (6) in connection with making arrangements to secure continuity of *funeral plan contracts*;

are also treated as *compensation costs*. *Compensation costs* are attributed to the *class* which gives rise to the costs up to relevant *levy limits*. *Classes* (other than the *deposit acceptors' contribution class*) may be funded, for *compensation costs levies* beyond the *class levy limit*, by the *retail pool*.

Participant firms that are members of more than one class

6.1.16 **G** If a *participant firm* is a member of more than one *class*, the total *compensation costs levy* and *specific costs levy* for that *firm* in a particular year will be the aggregate of the individual levies calculated for the *firm* in respect of each of the *classes* for that year. Each *class* has a *levy limit* which is the maximum amount of *compensation costs* and *specific costs* which may be allocated to a particular *class* in a *financial year* for the purposes of a levy.

The retail pool

6.1.16A **G** The *FCA* has made *rules* providing that *compensation costs* and *specific costs* attributable to the *classes* (other than the *deposit acceptors' contribution class*), and which exceed the *class levy limits*, may be allocated to the *retail pool*. Levies allocated to the *retail pool* are then allocated amongst the other such *classes*, together with the *deposit acceptors' contribution class*. The *deposit acceptors' contribution class* may contribute to *compensation costs levies* or *specific costs levies* funded by the *retail pool*, but may not itself receive any such funding.

6.1.17 **G** [deleted]

6.2 Exemption

- 6.2.1A** **R** (1) Except as set out in (3), a *participant firm* which does not conduct business in respect of which the FSCS may pay compensation and has no reasonable likelihood of doing so is exempt from a *specific costs levy*, or a *compensation costs levy*, or both, provided that:
- (a) it has notified the FSCS in writing that those conditions apply; and
 - (b) the conditions in fact continue to apply.
- (2) The exemption takes effect from the date on which the notice was received by the FSCS, subject to **FEES 6.2.6 R**.
- (3) The exemption in (1) does not apply in respect of a *specific costs levy* or *compensation costs levy* arising from the *firm's* membership of any of the following:
- (a) *category 1.2* (General insurance provision) of *class 1* (the General Insurance Distribution Claims *class*); or
 - (b) *categories 2.2* (Life insurance provision), *2.3* (Investment provision) or *2.4* (Structured deposits provision) of *class 2* (Investment Intermediation Claims *class*); or
 - (c) *category 4.2* (Home finance provision) of *class 4* (the Home Finance Intermediation Claims *class*); or
 - (d) *category 5.2* (Consumer credit provision) of *class 5* (the Debt Management Claims *class*); or
 - (e) the *deposit acceptors' contribution class*.
- 6.2.2** **R** **FEES 6.2.1AR** does not apply to a *participant firm* that may be subject to a claim under **COMP 3.2.4 R**.
- 6.2.3** **G** A *participant firm* to which **COMP 3.2.4R** applies must report *annual eligible income* in accordance with **FEES 6.5.13 R**. Such a *participant firm* may take advantage of the option to report its annual income attributable to business in respect of which the FSCS may pay compensation.
- 6.2.4** **R** A *participant firm* which is exempt under **FEES 6.2.1AR** must notify the FSCS in writing as soon as reasonably practicable if the conditions in **FEES 6.2.1AR** no longer apply.

- 6.2.5 **G** A *participant firm* to which the conditions in ■ FEES 6.2.1AR no longer apply will then become subject to ■ FEES 6.3.
- 6.2.6 **R** (1) If a *participant firm* ceases to conduct business that could give rise to a *protected claim* by an *eligible claimant* and notifies the *FSCS* of this under ■ FEES 6.2.1AR, it will be treated as a *participant firm* to which ■ FEES 6.7.6R applies until the end of the *financial year* of the *compensation scheme* in which the notice was given.
- (2) Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and when the *Part 4A permission* was cancelled or varied the *person* ceased to conduct business that could give rise to a *protected claim* by an *eligible claimant*, it will be treated as a *participant firm* to which ■ FEES 6.7.6R applies until the end of the *financial year* of the *compensation scheme* in which the *person's Part 4A permission* was cancelled or varied (but for the annulment).
- 6.2.7 **G** The *financial year* of the *compensation scheme* is the twelve months ending on 31 March. The effect of ■ FEES 6.2.6R and ■ FEES 6.2.1AR is that if a *firm* fails to notify *FSCS* of an exemption under ■ FEES 6.2.1AR by 31 March it will be treated as non-exempt for the whole of the next *financial year*.
- 6.2.8 **R** For the purposes of ■ FEES 6.2.1AR a *participant firm* will only be exempt from a *specific costs levy* or *compensation costs levy* for any given *financial year* if it met the conditions in ■ FEES 6.2.1AR on 31 March of the immediately preceding *financial year*.
- 6.2.8A **R** Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and when the *person's Part 4A permission* was cancelled or varied the *person* was exempt by virtue of ■ FEES 6.2.1AR, the *person* remains exempt provided that the conditions in that *rule* (apart from notification to the *FCA*) apply for the *financial year* of the *compensation scheme* in question.

6.3 The FSCS's power to impose levies

Imposing management expenses and compensation costs levies

6.3.1

R

The FSCS may at any time impose a *management expenses levy* or a *compensation costs levy*, provided that the FSCS has reasonable grounds for believing that the funds available to it to meet relevant expenses are, or will be, insufficient, taking into account expenditure already incurred, actual and expected recoveries and:

- (1) in the case of a *management expenses levy*, the level of the FSCS's expected expenditure in respect of those expenses in the *financial year* of the *compensation scheme* in relation to which the levy is imposed; and
- (2) [deleted]
- (3) in the case of a *compensation costs levy*:
 - (a) the FSCS's expenditure in respect of *compensation costs* expected in the 12 *months* of the *financial year* of the *compensation scheme* in relation to which the levy is imposed; or, if greater
 - (b) one third of the FSCS's expenditure in respect of *compensation costs* expected in the 36 *months* following the 1 April in the *financial year* of the *compensation scheme* in relation to which the levy is imposed.

6.3.2

G

The calculation of levies will also take into account previous levies, where funds raised in anticipation of meeting liabilities prove either more or less than the amount actually required.

6.3.2A

G

The FSCS will usually levy once in each *financial year* (the *annual levy*). However, if the *compensation costs* or *specific costs* incurred, or expected to be incurred, exceed the amounts held, or reasonably expected to be held, to meet those costs, the FSCS may, at any time during the *financial year*, do one or more of the following:

- (1) impose an *interim levy*; or
- (2) utilise other sources of funding such as commercial borrowing or other borrowing including from the National Loans Fund; or
- (3) utilise money collected from firms as set out in, and subject to, [FEES 6.3.17 R](#) (Management of funds).

The *FSCS* will generally impose a levy rather than borrow or utilise funds as described in (3), unless the latter options appear to it to be preferable in the specific circumstances prevailing at the relevant time; for example, to address short-term liquidity issues, or in order to deal with a significant failure without having to wait for a levy to be imposed or collected.

6.3.3 **G** The *FSCS* has committed itself in Memorandum of Understanding with the *FCA* to publish its policy in respect of levying.

6.3.4 **G** The discretion over levying in **FEES 6** also gives the *FSCS*, if it thinks this appropriate, the ability to use third parties as its agents in raising and collecting the levies.

Imposing a MERS levy

6.3.4A **R** The *FSCS* may at any time impose a *MERS levy* provided that the *FSCS* has reasonable grounds for believing that the funds available to it to meet relevant expenses are or will be insufficient, taking into account relevant expenses incurred or expected to be incurred in the *financial year* of the *compensation scheme* in relation to which the levy is imposed.

Limits on compensation costs and specific costs levies on classes

6.3.5 **R** The maximum aggregate amount of *compensation costs* and *specific costs* for which the *FSCS* can levy each *class* (including levies through the *retail pool*) in any one *financial year* of the *compensation scheme* is limited to the amounts set out in the table in **FEES 6 Annex 2 R**.

6.3.6 **R** [deleted]

6.3.7 **R** [deleted]

6.3.8 **R** [deleted]

6.3.9 **R** [deleted]

Levy for compensation costs paid in error

6.3.10 **R** The *FSCS* may include in a *compensation costs levy* the costs of compensation paid by the *FSCS* in error, provided that the payment was not made in bad faith.

Management of funds

- 6.3.11 **R** The FSCS must hold any amount collected from a *specific costs levy* or *compensation costs levy* to the credit of the *classes* in accordance with the allocation established under ■ FEES 6.4.6AR and ■ FEES 6.5.2-AR.

- 6.3.12 **R** Any funds received by the FSCS by way of levy or otherwise for the purposes of the *compensation scheme* are to be managed as the FSCS considers appropriate, and in doing this the FSCS must act prudently.

- 6.3.13 **R** Interest earned by the FSCS in the management of funds held to the credit of a *class* must be credited to that *class*, and must be set off against the *management expenses* or *compensation costs* allocated to that *class*.

- 6.3.14 **R** The FSCS must keep accounts which include:
 - (1) the funds held to the credit of each *class*; and
 - (2) the liabilities of that *class*.

- 6.3.15 **R** [deleted]

- 6.3.15A **G** [deleted]

- 6.3.16 **G** [deleted]

- 6.3.17 **R**
 - (1) The FSCS may use any money held to the credit of one *class*(the *creditor class*) to pay *compensation costs* or *specific costs* attributable or allocated by way of levy to another *class* (the *debtor class*) if the FSCS has reasonable grounds to believe that this would be more economical than borrowing funds from a third party or raising a levy.
 - (2) Where the FSCS acts in accordance with (1), it must ensure that:
 - (a) the *creditor class* is reimbursed by the *debtor class* as soon as possible;
 - (b) the *debtor class* pays interest at a rate equivalent to the Bank of England's official Bank Rate from time to time in force; and
 - (c) the amount lent by the *creditor class* to the *debtor class* is taken into account by the FSCS when considering whether to impose a *compensation costs levy* on the *creditor class* under ■ FEES 6.3.1 R.

- 6.3.18 **G** ■ FEES 6.3.17 R deals with how FSCS may use money available to it and does not affect the *rules* on levy allocation in ■ FEES 6.4, ■ 6.5 and ■ 6.5A.

- 6.3.19 **R** Unless ■ FEES 6.3.20 R applies, any recoveries made by the FSCS in relation to *protected claims* must be credited to the *classes* to which the related *compensation costs* was attributable.

- 6.3.20** **R** (1) Where the *FSCS* makes recoveries in relation to *protected claims* where a related *compensation costs levy* would have been allocated to a *class* (class A) had the *levy limit* for class A not been reached and has been allocated to another *class* or *classes* in the *retail pool*, the recoveries must be applied:
- (a) first, to the *classes* to which the costs levied were allocated in accordance with **FEES 6.5A** in the same proportion as those *classes* contributed, up to the total amount of that allocation plus interest at a rate equivalent to the Bank of England's Official Bank Rate from time to time in force; and
 - (b) thereafter, to class A.
- (2) This *rule* applies even though the recovery is made in a subsequent financial year.
- (3) [deleted]
- 6.3.20A** **G** Recoveries under **FEES 6.3.20 R** are net of the costs of recovery.
- 6.3.21** **R** If the *FSCS* has more funds (whether from levies, recoveries or otherwise) to the credit of a *class* than the *FSCS* believes will be required to meet levies on that *class* for the next 12 months, it may refund the surplus to members or former members of the *class* on any reasonable basis.
- Adjustments to calculation of levy shares**.....
- 6.3.22** **R** The *FSCS* may adjust the calculation of a *participant firm's* share of any levy to take proper account of:
- (1) any excess, not already taken into account, between previous levies of that type imposed in relation to previous periods and the relevant costs actually incurred in that period; or
 - (2) *participant firms* that are exempt from the levy under **FEES 6.2**; or
 - (3) amounts that the *FSCS* has not been able to recover from *participant firms* as a result of **FEES 6.3.5 R** ; or
 - (4) amounts that the *FSCS* has not been able to recover from *participant firms* after having taken reasonable steps; or
 - (5) **FEES 2.3** (Relieving Provisions), **FEES 6.5.9 R** (New participant firms) or **FEES 6.3.23 R** (Remission of levy or additional administrative fee); or
 - (6) anything else that the *FSCS* believes on reasonable grounds should be taken into account.
- 6.3.22A** **R** The *FSCS* may not adjust the calculation of a *participant firm's* share of any levy under **FEES 6.3.22 R** on the grounds that it would be inequitable for that *firm* to pay that share or part of it or on the grounds that it would be inequitable for the *FSCS* to retain that share or part of it.

6.3.22B **G** The reason for **FEES 6.3.22A R** is that any such claim should be dealt with under **FEES 2.3** (Relieving Provisions).

Firms acquiring businesses from other firms

6.3.22C **R**

(1) This *rule* applies to the calculation of the levies of a *firm* (A) if:

(a) either:

(i) A acquires all or a part of the business of another *firm* (B), whether by merger, acquisition of goodwill or otherwise; or

(ii) A became authorised as a result of B's simple change of legal status (as defined in **FEES 3 Annex 1R Part 6**);

(b) B is no longer liable to pay a levy; and

(c) that acquisition or change takes place after the date to which, or as of which, A's most recent statement of business under **FEES 6.5.13 R** is drawn up so far as concerns the *classes* covered by B's business.

(2) A must pay an additional amount equal to the levy that would have been payable by B in relation to the relevant business and relevant *classes* if the acquisition or change in status had not taken place and B had remained liable to pay levies. The amount is based on the most recent information supplied by B under **FEES 6.5.13 R**. A is included in the *classes* applicable to the relevant business.

(3) This *rule* only applies with respect to those *financial years* of the *compensation scheme* for which A's levies are calculated on the basis of a statement of business under **FEES 6.5.13 R** drawn up to a date, or as of a date, before the acquisition or change in legal status took place.

Remission of levy or additional administrative fee

6.3.23 **R** If a *participant firm's* share of a levy or an additional administrative fee under **FEES 2.2.1R** would be so small that, in the opinion of the FSCS, the costs of collection would be disproportionate to the amount payable, the FSCS may treat the *participant firm* as if its share of the levy or additional administrative fee amounted to zero.

Levies on the Society of Lloyd's

6.3.24 **R** The FSCS may impose a levy on the *Society* to be calculated as the aggregate of the levies that would be imposed on each *member* if this chapter applied to *members*, as follows:

(1) a share of the *base costs levy* for each *financial year*; and

(2) a share of a *specific costs levy* or a *compensation costs levy* allocated in accordance with **FEES 6 Annex 3AR**.

6.3.25 **D** The following *core provisions* of the *Act* apply to the carrying on of *insurance market activities* by *members*:

- (1) Part 9A (Rules and guidance) for the purpose of applying the *rules* in ■ FEES 6 and relevant interpretative provisions;
- (2) Part XV (Financial Services Compensation Scheme).

[Note: section 316 of the Act]

6.3.26

G

The *insurance market direction* in ■ FEES 6.3.25D is intended to advance the FCA's consumer protection objective in section 1C of the Act by assisting the FSCS to impose a levy on the *Society*, calculated as the aggregate of the levies that would be imposed on *members*, in accordance with ■ FEES 6.3.24R. As a result of section 317(2) of the Act, references to an *authorised person* in Part XV of the Act include a *member*.

Effect of annulment of cancellation or variation of permission under Schedule 6A on levies

6.3.27

G

Schedule 6A to the Act sets out a procedure to enable the FCA to cancel or vary the *Part 4A permission* of a *person* who it appears to the FCA is not carrying on a *regulated activity*. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of *Part 4A permission* in specified circumstances. Where the FCA grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of *Part 4A permission* is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, any levy provided for under this chapter applicable to the *person*, in relation to the period during which the *person's Part 4A permission* was cancelled or varied, applies to the *person*, unless the exemption in ■ FEES 6.2.1AR applies.



6.4 Management expenses

Obligation on participant firm to pay

- 6.4.1 **R** A *participant firm* must pay to the *FSCS* a share of each *management expenses levy*.

Limit on management expenses

- 6.4.2 **R** The total of all *management expenses levies* (taken together with the *management expenses levies* under the *PRA Rulebook*) attributable to a particular period of the *compensation scheme* may not exceed the limit applicable to that period set out in ■ FEES 6 Annex 1 R.

Participant firm's share

- 6.4.3 **R** A *participant firm's share* of a *management expenses levy* consists of one or more of: (1) a share of a *base costs levy* and (2) a share of a *specific costs levy*.
- 6.4.4 **R** The *FSCS* must ensure that each *participant firm's share* of a *management expenses levy* separately identifies the *firm's share* of the *base costs levy* and *specific costs levy*.

Base costs levy

- 6.4.5 **R** Subject to ■ FEES 6.3.22 R, the *FSCS* must calculate a *participant firm's share* of a *base costs levy* by:
- (1) for *recognised investment exchanges*, providing for £1,000 per *RIE* for each *financial year* of the *compensation scheme* (other than in the *financial year* in which the *recognised investment exchange* becomes a *participant firm*, when its share is nil);
 - (2) for other *participant firms*:
 - (a) identifying the *base costs* which the *FSCS* has incurred, or expects to incur, in the relevant *financial year* of the *compensation scheme*, but has not yet levied and allocating 50% of those *base costs* (less any contribution to be made by *recognised investment exchanges* under (1)) as the sum to be levied on participants in all the activity groups listed in ■ FEES 4 Annex 1AR;
 - (b) calculating the amount of the *participant firm's regulatory costs* as a proportion of the total *regulatory costs* relating to all

participant firms (other than recognised investment exchanges) for the relevant financial year; and
(c) applying the proportion calculated in (b) to the sum in (a).

6.4.5A **G** [deleted]

6.4.5B **G** The *FCA* and the *PRA* each allocate 50% of the *base costs* in a given *financial year* of the *compensation scheme* in accordance with their respective rules.

Specific costs levy
.....

6.4.6A **R** The *FSCS* must allocate, and calculate a *participant firm's* share of, a *specific costs levy* in the same way as for a *compensation costs levy* (see ■ FEES 6.5).

(1) [deleted]

(2) [deleted]

6.4.7A **R** [deleted]

6.4.8 **R** [deleted]

- 6.4.9 **G** [deleted]
- 6.4.10 **G** [deleted]
- 6.4.10A **R** [deleted]
- 6.4.10B **G** [deleted]
- 6.4.11 **R** [deleted]
- 6.4.12 **R** [deleted]

6.4A Management expenses in respect of relevant schemes

- 6.4A.1** **R** **Obligation on participant firm to pay**.....
A *participant firm* (but not a *recognised investment exchange*) must pay to the *FSCS* a share of each *MERS levy*.
- 6.4A.2** **R** **Restriction on management expenses in respect of relevant schemes**.....
The *FSCS* can impose a *MERS levy* only if the *FSCS* has tried its best and has failed to obtain reimbursement of those expenses from the manager of the relevant compensation scheme.
- 6.4A.3** **R** **Management expenses in respect of relevant schemes levy**.....
The *FSCS* must calculate a *participant firm's* share of a *MERS levy* on a reasonable basis.



6.5 Compensation costs

6.5.1 **R** [deleted]

Allocation

6.5.2-A **R** The FSCS must allocate any *compensation costs levy*:

- (1) first, to the relevant *classes* (other than the *deposit acceptors' contribution class*) in proportion to the amount of *compensation costs* arising from, or expected to arise from, claims in respect of the different activities for which *firms* in those *classes* have *permission* up to the *levy limit* of each relevant *class*; and
- (1A) next, amongst the *categories* (if any) within each *class*:
 - (a) in proportion to the *categories' unused levy limits* as at the date of the levy;
 - (b) up to those *levy limits*, subject to the conditions in **■ FEES 6.5.2-AAR**; and
- (2) thereafter, where the *levy limit* for a *class* has been reached (whether as a result of *compensation costs* or *specific costs* or both), to the *retail pool*, in accordance with, and subject to, **■ FEES 6.5A** and subject to the conditions in **■ FEES 6.5.2-AA**.

Cap and clawback caused by other levies on insurers, investment providers and deposit takers

6.5.2-AA **R** (1) This *rule* applies in relation to a relevant *category* or *class* in the table below.

Relevant category or class	Relevant unused levy limit	Corresponding funding class
<i>Category 1.2</i> (General insurance provision)	Levy limit of the corresponding funding class in the <i>PRA Rulebook</i> , minus any levy imposed:	Corresponding funding class in the <i>PRA Rulebook</i>
<i>Category 2.2</i> (Life insurance provision)		
<i>Category 2.4</i> (Structured deposits provision)	(a) on that class by the FSCS under the <i>PRA's rules</i> ; and	
<i>Deposit acceptors' contribution class</i>	(b) on the relevant <i>category</i> or <i>class</i> by the FSCS under the <i>FCA's rules</i> ;	

Relevant category or class	Relevant unused levy limit	Corresponding funding class
Category 2.3 (Investment provision)	in the same <i>financial year</i> Levy limit for class 3 (Investment Provision Claims) minus any <i>compensation costs levies</i> or <i>specific costs levies</i> imposed by the <i>FSCS</i> in the same <i>financial year</i>	Class 3 (Investment Provision Claims)

- (2) An allocation under step (1A) or (2) of ■ FEES 6.5.2-AR to a relevant *category* or *class* must be capped as necessary so as not at that time to exceed the relevant unused levy limit in the table in (1), with any outstanding amount reallocated starting with that step.
- (3) If a relevant unused levy limit in the table in (1) is exceeded by a subsequent levy imposed on the corresponding funding class by the *FSCS* (under the *PRA's* or *FCA's* rules) in the same *financial year*, the *FSCS* must recover any previous contributions by the relevant *category* or *class* in the way set out in (4), but only to the extent necessary to correct that relevant unused levy limit excess.
- (4) If (3) applies, then the *FSCS* must, as far as reasonably possible:
 - (a) in the case of a previous contribution by a relevant *category* under ■ FEES 6.5.2-AR(1A):
 - (i) impose a levy on the other *categories* in the *class* to which the relevant *category* belongs and thereafter to the other *firms* in the *retail pool*, applying ■ FEES 6.5.2-AR(1A) and (2); and
 - (ii) credit the recovered amount to the relevant *category*.
 - (b) in the case of a previous contribution by a relevant *category* or *class* to the *retail pool* under ■ FEES 6.5.2-AR(2):
 - (i) impose a levy on the other *firms* in the *retail pool* in accordance with, and subject to, ■ FEES 6.5A; and
 - (ii) credit the recovered amount to the relevant *category* or *class*.
- (5) The *FSCS* may, before imposing a levy under (4), raise funds to correct the unused levy limit excess by commercial or other borrowing, or by utilising funds as set out in, and subject to, ■ FEES 6.3.17R.

6.5.2-AB G

- (1) This is an example of the effect of levies under the *PRA's* rules on levies on *category* 1.2 (General insurance provision), as a result of ■ FEES 6.5.2-AAR.
- (2) The *FSCS* allocates a *compensation costs levy* and *specific costs levy* totalling £205 million to *class* 1 (General Insurance Distribution Claims) under ■ FEES 6.5.2-AR (see ■ FEES 6.4.6AR). For the purposes of this example, this is the first levy imposed by the *FSCS* in that *financial year*. As a result of ■ FEES 6.5.2-AR(1A), £155 million is allocated to *category* 1.1 and £50 million to *category* 1.2.

- (3) The *FSCS* next imposes a levy under the *PRA's* rules on the funding class (general insurers) that corresponds to *category 1.2*. That levy is equal to the levy limit for that funding class (general insurers) in the *PRA Rulebook*.
- (4) As a result of ■ FEES 6.5.2-AAR(3) and (4), the *FSCS* must raise £50 million by imposing a levy on *category 1.1* and credit those funds by way of repayment to *category 1.2*.
- (5) The *FSCS* then allocates a further *compensation costs levy* and *specific costs levy* totalling £50 million to *class 1* under ■ FEES 6.5.2-AR. As a result of ■ FEES 6.5.2-AAR(2), the *FSCS* must allocate the whole amount of that further levy to *category 1.1*.
- (6) Subsequently but in the same *financial year*, the *FSCS* incurs further *compensation costs* and *specific costs* attributable to *class 1* and totalling £75 million. However, if £75 million were allocated to *class 1*, it would cause *category 1.1* to exceed its *levy limit* of £310 million when combined with the £255 million that *category 1.1* has already paid in that *financial year*. Accordingly, the *FSCS* imposes a further *compensation costs levy* and *specific costs levy* totalling £75 million and allocates it as follows:
 - (a) £55 million to *category 1.1*, bringing the total levies paid by that *category* in the *financial year* to its *levy limit*;
 - (b) £0 to *category 1.2*; and
 - (c) £20 million to the *retail pool* in accordance with ■ FEES 6.5.2-AR(2).

6.5.2A G The use made by *FSCS* of borrowing facilities to provide liquidity until the next levy does not affect the attribution of *compensation costs*, nor the allocation of *compensation cost levies*; the allocation of a *compensation costs levy* occurs at the time that the *FSCS* imposes a levy.

6.5.2B G [deleted]

6.5.2C G [deleted]

6.5.3 R If a *participant firm* which is *in default* has carried on a *regulated activity* other than in accordance with a *permission*, the *FSCS* must treat any *compensation costs* or *specific costs* arising out of that activity as if the relevant *permission* were held by the *participant firm*.

6.5.4 R If the relevant *person* in default is an *appointed representative*, the *FSCS* must treat any *compensation costs* or *specific costs* arising out of a *regulated activity* for which his *principal* has not accepted responsibility to as if the *principal* had accepted responsibility.

Participant firm's share of a levy.....

6.5.5 R (1) A *participant firm* must pay to the *FSCS* a share of each *compensation costs levy* allocated to the *classes* and *categories* of which it is a member unless either the *firm* is exempt under ■ FEES 6.2 (Exemption)

or the *FSCS* has chosen to exercise its discretion under ■ FEES 6.3.23 R in respect of that *firm*.

(2) [deleted]

6.5.6A **R** The *FSCS* must calculate each *participant firm's* share of a *compensation costs levy* (subject to ■ FEES 6.3.22 R (Adjustments to calculation of levy shares)) by:

- (1) identifying each of the relevant *classes* and *categories* to which each *participant firm* belongs, using the statement of business most recently supplied under ■ FEES 6.5.13 R (1);
- (2) identifying the *compensation costs* falling within ■ FEES 6.3.1R allocated, in accordance with ■ FEES 6.5.2-AR, to the *classes* and *categories* identified in (1);
- (3) calculating, in relation to each relevant *class* and *category*, the *participant firm's* tariff base (see ■ FEES 6 Annex 3AR) as a proportion of the total tariff base of all *participant firms* in the *class* or *category* as the case may be;
- (4) applying the proportion calculated in (3) to the figure in (2); and
- (5) if more than one *class* or *category* is relevant, adding together the figure in (4) for each *class* or *category*.

6.5.6B **G** (1) This is an example of the calculation under ■ FEES 6.5.6AR of a *participant firm's* share of a *compensation costs levy* and a *specific costs levy*.

- (2) A *compensation costs levy* and *specific costs levy* totalling £100,000 is allocated to *class 1* (the General Insurance Distribution Claims *class*) under ■ FEES 6.5.2-AR (see ■ FEES 6.4.6AR). That levy of £100,000 is allocated to the *categories* within that *class* under ■ FEES 6.5.2-AR(1A), with the result that £75,610 is allocated to *category 1.1* and £24,390 is allocated to *category 1.2*.
- (3) The reports under ■ FEES 6.5.13R and under the *PRA's* compensation rules show that there are 10 *participant firms* in *category 1.1*, each doing the same amount of business in that *category*; and five *participant firms* each doing the same amount of business in *category 1.2*. Two of the *participant firms* are in both *categories*.
- (4) In this example, as a result of ■ FEES 6.5.6AR, each *participant firm* in *category 1.1* pays a levy of £7,561 and each *participant firm* in *category 1.2* pays a levy of £4,878. The two *participant firms* that are in both *categories* will accordingly each pay a levy in respect of *class 1* totalling £12,439.

Allocation

6.5.6C **R** When identifying the relevant *classes* to which a *TP firm* belongs, the *FSCS* must identify the activity (or activities) in ■ FEES 6 Annex 3AR that most closely matches that for which the *TP firm* is treated as having *Part 4A permission*.

Classes and tariff bases for compensation cost levies and specific costs levies

6.5.8 **G** Guidance on parts of ■ FEES 6 Annex 3AR can be found in ■ FEES 6 Annex 4 G.

New participant firms

6.5.9 **R** A firm or a recognised investment exchange which becomes a participant firm part way through a financial year of the compensation scheme will not be liable to pay a share of a compensation costs levy or specific costs levy made in that year.

[Note: since a firm that becomes a participant firm in the course of a financial year of the compensation scheme will already be obtaining a discount in relation to the base costs levy through the modified fee provisions of ■ FEES 4.2.7ER, no rule is necessary in ■ FEES 6 for discounts on the base costs levy.]

Compensation costs levy for newly authorised firms

6.5.9A **R** [deleted]

6.5.9B **G** [deleted]

6.5.9C **R**

- (1) This rule deals with the calculation of:
 - (a) a participant firm's compensation costs levy in the financial year of the compensation scheme following the financial year of the compensation scheme in which it became a participant firm; or
 - (b) a participant firm's compensation costs levy in the financial year of the compensation scheme in which it had its permission extended, and the following financial year of the compensation scheme; and

the tariff base for the classes that relate to the relevant permissions or extensions, as the case may be.
- (2) Unless this rule says otherwise, the tariff base is calculated, where necessary, using the projected valuation of the business to which the tariff relates.
- (3) The rest of this rule only applies to a firm that becomes a participant firm, or extends its permission, on or after 1 April 2009.
 - (a) If a participant firm's tariff base is calculated using data from a period that begins on or after it became a participant firm or on or after the date that the participant firm receives its extension of permission, as the case may be, the participant firm must use that data.
 - (b) If a participant firm satisfies the following conditions it must calculate its tariff base under (c) for the financial year following the financial year of the compensation scheme in which it became a participant firm or receives its extension of permission:
 - (i) it became a participant firm or receives its extension of permission, as the case may be, between 1 April and 31 December inclusive; and

- (ii) its tariff base, but for this *rule*, is calculated by reference to the financial year ended in the calendar year ending 31 December or the twelve *months* ending 31 December before the *financial year* of the *compensation scheme*.
- (c) If a *participant firm* satisfies the conditions in (b) it must calculate its tariff base as follows:
 - (i) it must use actual data in relation to the business to which the tariff relates rather than projected valuations;
 - (ii) the tariff is calculated by reference to the period beginning on the date it became a *participant firm* or had its *permission* extended, and ending on the 31 December before the start of the *financial year* of the *compensation scheme*; and
 - (iii) the figures are annualised by increasing them by the same proportion as the period of 12 *months* bears to the period starting from when the *participant firm* became a *participant firm*, or had its *permission* extended, to the 31 December, as the case may be.
- (d) Where a *participant firm* is required to use the method in (c) it must notify the *FSCS* of its intention to do so by the date specified in ■ FEES 6.5.13R (Reporting requirements).
- (e) Where a *participant firm* is required to use actual data under this *rule*, ■ FEES 6 Annex 3AR is disapplied, to the extent it is incompatible, in relation to the calculation of that *participant firm's* valuation date in its second financial year.

[Note: ■ FEES 6.5.9CR was previously in ■ FEES 6.4.10AR.]

Application of FEES 6.5.9CR

6.5.9D

G

The table below sets out the period within which a *participant firm's* tariff base is calculated ("the data period") for second year levies calculated under ■ FEES 6.5.9CR. The example is based on a *participant firm* that extends its *permission* on 1 November 2009 and has a financial year ending 31 March.

References in this table to dates or months are references to the latest one occurring before the start of the *financial year* of the *compensation scheme* unless otherwise stated.

Type of permission acquired on 1 November	Tariff base	Valuation date but for FEES 6.5.9CR	Data period under FEES 6.5.9CR
<i>Dealing in investments as agent</i> in relation to General Insurance Distribution	<i>Annual eligible income</i>	Financial year ended 31 March 2009 – so projected valuations will be used.	1 November to 31 December 2009

[Note: ■ FEES 6.5.9DG was previously in ■ FEES 6.4.10BG.]

Membership of several classes

6.5.10

R

[deleted]

6.5.11

R

[deleted]

6.5.12 **G** A *participant firm* may belong to more than one *class*.

Reporting requirements

6.5.13 **R** (1) Unless exempt under **■ FEES 6.2.1A R**, a *participant firm* must provide the *FSCS* by the end of February each year (or, if it has become a *participant firm* part way through the *financial year*, by the date requested by the *FCA*) with a statement of:

- (a) *classes* and *categories* to which it belongs; and
- (b) the total amount of business (measured in accordance with the appropriate tariff base or tariff bases) which it conducted, in respect of the most recent valuation period (as specified by **■ FEES 6 Annex 3AR** (Financial Services Compensation Scheme - classes)) ending before the relevant year in relation to each of those *classes* and *categories*.

(2) In this *rule* the relevant year means the year in which the month of February referred to in (1) falls.

(3) Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and on the date the annulment takes effect the time for providing the statement in (1) has passed, then the requirement to have provided the statement does not apply, but a *person* must comply with (1) and (2), by providing the statement to the *FCA* on the date on which the *person's* annulment takes effect.

(4) [deleted]

6.5.13A **G** For example, when the tariff base for a particular *class* is based on a *firm's annual eligible income* the valuation period for that *class* is the *firm's* last financial year ending in the year to 31 December preceding the *financial year* of the *compensation scheme* for which the calculation is being made.

6.5.14 **R** If the information in **■ FEES 6.5.13 R** has been provided to the *FCA* under other *rule* obligations, or in accordance with the *PRA Rulebook*, a *participant firm* will be deemed to have complied with **■ FEES 6.5.13 R**.

6.5.14A **G** The *FSCS* may use information provided in accordance with the *PRA Rulebook* or the *FCA's rules* even where that information is provided other than by the end of February each year.

6.5.14B **R** The *FSCS* may use information provided in accordance with the *PRA Rulebook* or the *FCA's rules* that relates to a previous period, if that information has not yet been provided in respect of the *financial year* of the *compensation scheme* in which a levy is being imposed, applying **■ FEES 6.5.16R(2)**.

6.5.16 **R** If a *participant firm* does not submit a complete statement by the date on which it is due in accordance with **■ FEES 6.5.13 R** and any prescribed submission procedures:

- (1) the *firm* must pay an administrative fee of £250 (but not if it is already subject to an administrative fee under ■ FEES 4 Annex 2A R, Part 1 or ■ FEES 5.4.1 R for the same *financial year*); and
- (2) the *compensation costs levy* and any *specific costs levy* will be calculated using (where relevant) the valuation or valuations of business applicable to the previous period, multiplied by the factor of 1.10 (or, if it has become a *participant firm* part way through a *financial year*, on the basis of the information provided to the FCA for the purposes of ■ FEES 4.4.2 R) or on any other reasonable basis, making such adjustments as seem appropriate in subsequent levies once the true figures are known.

6.5.17

R

[deleted]



6.5A The retail pool

Allocation of compensation costs levies and specific costs levies through the retail pool

- 6.5A.1** **R** The FSCS must allocate a *compensation costs levy* or *specific costs levy*, which has been allocated to the *retail pool* (under ■ FEES 6.5.2-AR(2) or ■ FEES 6.4.6AR):
- (1) to *classes* whose *levy limit* has not been reached as at the date of the levy;
 - (2) in proportion to the relative sizes of the *levy limits* of the *classes* in (1) and up to those *levy limits*; and
 - (3) in accordance with the table in ■ FEES 6 Annex 2R; and
 - (4) a *class's* share of a levy allocated to the *retail pool* must be distributed amongst any *categories* within that *class* in proportion to the unused *levy limits* for those *categories* and up to those *levy limits*: see ■ FEES 6 Annex 2R.

6.5A.2 **R** [deleted]

6.5A.3 **G** [deleted]

How levy limits affect allocation to classes in the retail pool

- 6.5A.4** **R** The calculation of the relative sizes of the *levy limit* (for the purpose of ■ FEES 6.5A.1R(2)) is based on the original *levy limits* for the *classes* (as set out in ■ FEES 6 Annex 2R) and not the remaining capacity in each *class*.
- 6.5A.5** **R** When the FSCS allocates excess *compensation costs levies* or *specific costs levies* under ■ FEES 6.5A.1 R or any levy imposed under ■ FEES 6.5.2-AAR(4), a *class* to which part of the excess is allocated (a "receiving class") may, as a result of that allocation, itself reach its limit. In that case, the FSCS must apply ■ FEES 6.5A.1 R or ■ FEES 6.5.2-AAR so that any resulting excess levy beyond the limit of the receiving class is allocated amongst the remaining *classes* whose limits have not been reached, to the exclusion of the receiving *class*. This process is repeated until the *compensation costs levy* or *specific costs levy* has been met in full or the limits of all *classes* have been exhausted.

6.5A.6 **R** [deleted]

6.5A.7 **R** [deleted]

		6.6	Incoming EEA firms [deleted]
6.6.1	R		[deleted]

6.7 Payment of levies

Payments on account by certain firms

6.7.-1

R

Where a *participant firm* must pay its periodic fees for a *fee year* in accordance with ■ FEES 4.3.6R(1C) to ■ (1E), it must pay its share of any *annual levy* imposed by the *FSCS* for the *financial year* of the *compensation scheme* as follows:

- (1) by 1 April an amount equal to 50%, or such lower percentage as the *FSCS* may determine, of the *participant firm's* share of the *annual levy* payable for the previous *financial year* of the *compensation scheme*; and
- (2) by 1 September the balance of the *annual levy* due from the *participant firm* for the current *financial year* of the *compensation scheme*.

6.7.-1A

R

Where the *FCA* grants the *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and the *person* falls within ■ FEES 6.7.-1R and:

- (1) the annulment takes effect after 1 April, then the date for payment referred to in ■ FEES 6.7.-1R(1) does not apply, but the *person* must, where the annulment takes effect after 1 April but before 1 September, pay:
 - (a) on the date on which the annulment takes effect, an amount equal to 50%, or such lower percentage as the *FSCS* may determine, of the *participant firm's* share of the *annual levy* payable for the previous *financial year* of the *compensation scheme*; and
 - (b) by 1 September, the balance of the *annual levy* due from the *participant firm* for the current *financial year* of the *compensation scheme* year; or
- (2) the annulment takes effect after 1 September, then the date for payment referred to in ■ FEES 6.7.-1R(2) does not apply, but the *person* must pay the total amount due on the date on which the annulment takes effect.

Payments of levy by other firms

6.7.1

R

A *participant firm* that is not within ■ FEES 6.7.-1R, must pay its share of any *levy* made by the *FSCS* in one payment.

- 6.7.2 **G** .[deleted]
- 6.7.3 **R** A *participant firm's* share of a levy to which **■ FEES 6.7.1R** applies is due on, and payable within 30 days of, the date when the invoice is issued.
- Payments of interim levies**.....
- 6.7.3A **R** A *participant firm's* share of any *interim levy* is due on, and payable within 30 days of, the date when the invoice is issued.
- 6.7.4 **R** .[deleted]
- Method of payment**.....
- 6.7.5 **R** A *participant firm* liable to pay its share of the levy under **■ FEES 6.7.-1R**, **■ 6.7.1R** and **■ 6.7.3R** must do so using one of the methods set out in **■ FEES 2.1.12R** (unless **■ FEES 2.1.13R** applies) save that no additional amount or discount is applicable.
- Firms ceasing to be a participant firm**.....
- 6.7.6 **R** If a *firm* ceases to be a *participant firm* or carry out activities within one or more *classes* part way through a *financial year* of the *compensation scheme*:
- (1) it will remain liable for any unpaid levies which the *FSCS* has already made on the *firm*; and
 - (2) the *FSCS* may make one or more levies upon it (which may be before or after the *firm* has ceased to be a *participant firm* or carry out activities within one or more *classes*, but must be before it ceases to be an *authorised person*) for the costs which it would have been liable to pay had the *FSCS* made a levy on all *participant firms* or *firms* carrying out activities within that *class* in the *financial year* it ceased to be a *participant firm* or carry out activities within that *class*.
 - (3) [deleted]
 - (4) [deleted]
 - (5) [deleted]
- 6.7.7 **R** **■ FEES 6.7.6R** does not apply in relation to a *person* to whom the *FCA* grants an annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act*.
- 6.7.8 **G** The effect of annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* is that the cancellation or variation of *Part 4A permission* is treated as if it had not taken place and the *person* is liable for any levies which relate to the period prior to the annulment. See further guidance in **■ FEES 4.3.19G**.

Extension of time

6.7.9

R

A *participant firm or person* (as the case may be) need not pay a share of any levy on the date on which it is due under the relevant provisions in this chapter, if that date falls during a period during which circumstances of the sort set out in ■ GEN 1.3.2R (Emergency) exist, and that *participant firm or person* has reasonable grounds to believe that those circumstances impair its ability to pay its due share of the levy, in which case it must be paid on or before the fifth *business day* after the end of that period.

Financial Services Compensation Scheme - Management Expenses Levy Limit

This table belongs to FEES 6.4.2 R

Period	Limit on total of all management expenses levies attributable to that period (£)
1 December 2001 to 1 April 2002	£4,209,000
1 April 2002 to 31 March 2003	£13,228,000
1 April 2003 to 31 March 2004	£13,319,000
1 April 2004 to 31 March 2005	£17,590,000
1 April 2005 to 31 March 2006	£27,030,000
1 April 2006 to 31 March 2007	£37,060,000
1 April 2007 to 31 March 2008	£37,520,000
1 April 2008 to 31 March 2009	£1,000,000,000 provided that £600,000,000 may be recovered in respect of <i>specific costs</i> relating to the declaration by the FSA on 27 September 2008 that Bradford & Bingley plc is <i>in default</i> only.
1 April 2009 to 31 March 2010	£1,000,000,000
1 April 2010 to 31 March 2011	£1,000,000,000
1 April 2011 to 31 March 2012	£1,000,000,000
1 April 2012 to 31 March 2013	£1,000,000,000
1 April 2013 to 31 March 2014	£94,400,000
1 April 2014 to 31 March 2015	£80,000,000
1 April 2015 to 31 March 2016	£74,429,000
1 April 2016 to 31 March 2017	£72,694,000
1 April 2017 to 31 March 2018	£74,540,000
1 April 2018 to 31 March 2019	£77,661,000
1 April 2019 to 31 March 2020	£79,555,000

This table belongs to FEES 6.4.2 R

Period	Limit on total of all management expenses levies attributable to that period (£)
1 April 2020 to 31 March 2021	£83,167,893
1 April 2021 to 31 March 2022	£105,599,319
1 April 2022 to 31 March 2023	£110,473,324
1 April 2023 to 31 March 2024	£109,815,710
1 April 2024 to 31 March 2025	£108,111,085

Financial Services Compensation Scheme - annual levy limits

This table belongs to ■ FEES 6.3.5 R

Class	Category	Levy Limit (£ million)
<i>Class 1: General Insurance Distribution Claims</i>	1.1: General insurance distribution	310
	1.2: General insurance provision	100 (subject to FEES 6.5.2-AAR)
	Total:	410
<i>Class 2: Investment Intermediation Claims</i>	2.1: Life distribution and investment intermediation	240
	2.2: Life insurance provision	35 (subject to FEES 6.5.2-AAR)
	2.3: Investment provision	50 (subject to FEES 6.5.2-AAR)
	2.4: Structured deposits provision	5 (subject to FEES 6.5.2-AAR)
	Total:	330
<i>Class 3: Investment Provision Claims</i>		200
<i>Class 4: Home Finance Intermediation Claims</i>	4.1: Home finance intermediation	40
	4.2: Home finance provision	15
	Total:	55
<i>Class 5: Debt Management Claims</i>	5.1: Debt management claims	20
	5.2: Consumer credit provision	
<i>Class 6: Deposit acceptors' contribution</i>		105 (subject to FEES 6.5.2-AAR)
<i>Class 7: Funeral Plan Claims</i>		5

Financial Services Compensation Scheme - classes and categories

This table belongs to ■ FEES 6.5.6AR

[deleted]	
[deleted]	
Class 1	General Insurance Distribution Claims
<p>Category 1.1</p> <p>Firms with permission for:</p>	<p>General insurance distribution</p> <p>any of the following in respect of <i>general insurance contracts</i> or <i>pure protection contracts</i>:</p> <p><i>dealing in investments as agent;</i></p> <p><i>arranging (bringing about) deals in investments;</i></p> <p><i>making arrangements with a view to transactions in investments;</i></p> <p><i>assisting in the administration and performance of a contract of insurance;</i></p> <p><i>advising on investments;</i></p> <p><i>agreeing to carry on a regulated activity which is within any of the above.</i></p>
<p>Category 1.2</p> <p>Firms with permission for:</p>	<p>General insurance provision</p> <p><i>effecting contracts of insurance; and/or</i></p> <p><i>carrying out contracts of insurance;</i></p> <p>that are <i>general insurance contracts</i>.</p>
<p>Also includes:</p> <p>Tariff base for category 1.1</p>	<p>the <i>Society</i></p> <p>Category 1.1: <i>annual eligible income</i> where annual income is calculated as the sum of (a) and (b):</p> <p>(a) the net amount retained (Note 3) by the <i>firm</i> (Note 5) of all brokerages, fees, commissions and other related income (for example, administration charges, overrides and profit shares) due to the <i>firm</i> in respect of or in relation to <i>category 1.1</i> activities, including any income received from an <i>insurer</i>; and</p> <p>(b) if the <i>firm</i> is an <i>insurer</i>, in relation to <i>category 1.1</i> activities (Note 4), the amount of <i>premiums</i> receivable on its <i>contracts of insurance</i> multiplied by 0.07, excluding those <i>contracts of insurance</i> which result from <i>category 1.1</i> carried out by another <i>firm</i>, where a payment has been made by the <i>insurer</i> to that other <i>firm</i> and that payment is of a type that falls under (a).</p> <p>Notes relating to the calculation of the tariff base for <i>category 1.1</i>:</p> <p>(1) [deleted]</p> <p>(2) [deleted]</p> <p>(3) Net amount retained means all the commission, fees, etc. in respect of <i>category 1.1</i> activities that the <i>firm</i> has not rebated to customers or passed on to other <i>firms</i> (for example, where there is a commission chain). Items</p>

Class 1	General Insurance Distribution Claims
<p>Tariff base for category 1.2</p>	<p>such as general business expenses (for example, employees' salaries and overheads) must not be deducted.</p> <p>(4) <i>Category 1.1</i> activities mean activities that fall within <i>Category 1.1</i>. They also include activities that now fall within <i>Category 1.1</i> but that were not <i>regulated activities</i> when they were carried out.</p> <p>(5) A reference to a <i>firm</i> also includes a reference to any <i>person</i> who carried out activities that would now fall into <i>Category 1.1</i> but which were not at the time <i>regulated activities</i>.</p> <p>For the <i>Society</i>, the aggregate of the tariff base for Insurance Class B1 in the Policyholder Protection part of the <i>PRA Rulebook</i> that would apply to each <i>member</i> if:</p> <p>(a) that tariff base applied to each <i>member</i> in respect of their <i>insurance business</i> in relation to <i>general insurance contracts</i>; and</p> <p>(b) all references to “firm” or “participant firm” in the Policyholder Protection part of the <i>PRA Rulebook</i> were read as referring to the <i>member</i>.</p> <p>For all other <i>participant firms</i>, the tariff base for Insurance Class B1 in the Policyholder Protection part of the <i>PRA Rulebook</i>.</p>
Class 2	Investment Intermediation Claims
<p>Category 2.1</p> <p>Firms with permission for:</p>	<p>Life distribution and investment intermediation <i>intermediation of structured deposits</i> (except for <i>managing investments</i> in relation to <i>structured deposits</i>) and/or any of the following in relation to <i>long-term insurance contracts</i> (other than <i>pure protection contracts</i>) or rights under a <i>stakeholder pension scheme</i> or a <i>personal pension scheme</i>:</p> <p>any of the following in relation to <i>long-term insurance contracts</i> (other than <i>pure protection contracts</i>) and/or rights under a <i>stakeholder pension scheme</i> or a <i>personal pension scheme</i>:</p> <p><i>dealing in investments as agent;</i></p> <p><i>arranging (bringing about) deals in investments;</i></p> <p><i>making arrangements with a view to transactions in investments;</i></p> <p><i>assisting in the administration and performance of a contract of insurance;</i></p> <p><i>advising on investments;</i></p> <p><i>advising on pension transfers and pension opt-outs;</i></p> <p><i>basic advice;</i></p> <p><i>agreeing to carry on a regulated activity</i> which is within any of the above; and/or</p> <p>any of the following in relation to <i>designated investment business</i> BUT excluding activities that relate to <i>long-term insurance contracts</i> or rights under a <i>stakeholder pension scheme</i> or a <i>personal pension scheme</i>:</p> <p><i>dealing in investments as principal;</i></p> <p><i>dealing in investments as agent;</i></p>

Class 2	Investment Intermediation Claims
	<p><i>MiFID business bidding;</i> <i>arranging (bringing about) deals in investments;</i> <i>making arrangements with a view to transactions in investments;</i> <i>advising on investments;</i> <i>basic advice;</i> <i>safeguarding and administering investments;</i> <i>arranging safeguarding and administering of assets;</i> <i>operating a multilateral trading facility;</i> <i>agreeing to carry on a regulated activity which is within any of the above.</i></p>
<p>Recognised investment exchanges</p>	<p><i>Recognised investment exchanges that are operating a multilateral trading facility or operating an organised trading facility</i></p>
<p>Category 2.2 Firms with permission for:</p>	<p>Life insurance provision <i>effecting contracts of insurance; and/or carrying out contracts of insurance;</i> <i>that are long-term insurance contracts (including pure protection contracts).</i></p>
<p>Also includes: Category 2.3 Firms with permission for:</p>	<p>the Society Investment provision any of the following: <i>managing investments;</i> <i>managing an AIF;</i> <i>managing a UK UCITS;</i> <i>acting as trustee or depositary of an AIF;</i> <i>acting as trustee or depositary of a UK UCITS;</i> <i>establishing, operating or winding up a collective investment scheme;</i> <i>establishing, operating or winding up a stakeholder pension scheme;</i> <i>establishing, operating or winding up a personal pension scheme;</i> <i>agreeing to carry on a regulated activity which is within any of the above.</i></p>
<p>Category 2.4 Firms with permission for:</p>	<p>Structured deposits provision <i>accepting deposits and/or operating a dormant asset fund. BUT does not include any fee payer who either effects or carries out contracts of insurance.</i></p>
<p>Tariff base for category 2.1</p>	<p>In respect of <i>direct sales of structured deposits</i>: the tariff base for Class A (DGS members) set out in the Depositor Protection part of the <i>PRA Rulebook</i>, but only to the extent that it: (a) relates to <i>structured deposits</i> accepted in the <i>firm's</i> last financial year ended in the year to 31</p>

Class 2	Investment Intermediation Claims
	<p>December preceding the date for submission of the information under FEES 6.5.13R attributable to that <i>category</i>; and</p> <p>(b) multiplied by 0.07.</p> <p>Except in respect of <i>direct sales of structured deposits: annual eligible income</i> where annual income is calculated as the sum of (a) and (b):</p> <p>(a) the net amount retained (Note 4) by the <i>firm</i> of all brokerages, fees, commissions and other related income (for example, administration charges, overrides and profit shares) due to the <i>firm</i> in respect of or in relation to <i>category 2.1</i> activities (Note 5) including (in relation to a <i>firm</i> carrying out life distribution or pensions intermediation) any income received from an <i>insurer</i>; and</p> <p>(b) if the <i>firm</i> is a life and pensions <i>firm</i> (Note 2) carrying out life distribution or pensions intermediation, in relation to <i>category 2.1</i> activities, the amount of <i>premiums</i> or commission receivable on its life and pensions contracts (Note 1) multiplied by 0.07, excluding those life and pensions contracts which result from <i>category 2.1</i> activities carried out by another <i>firm</i>, where a payment has been made by the life and pensions <i>firm</i> to that other <i>firm</i> and that payment is of a type that falls under (a).</p> <p>Notes relating to the calculation of the tariff base for <i>category 2.1</i>:</p> <p>(1) Life and pensions contracts mean <i>long-term insurance contracts</i> (but not including <i>pure protection contracts</i>) and rights under a <i>stakeholder pension scheme</i> or a <i>personal pension scheme</i>.</p> <p>(2) Life and pensions <i>firm</i> means an <i>insurer</i>. It also means a <i>firm</i> that provides <i>stakeholder pension schemes</i> or <i>personal pension schemes</i> if those activities fall into <i>class 3</i>.</p> <p>(3) Box management profits are excluded from the calculation of annual income.</p> <p>(4) Net amount retained means all the commission, fees, etc. in respect of <i>category 2.1</i> activities that the <i>firm</i> has not rebated to customers or passed on to other <i>firms</i> (for example, where there is a commission chain). Items such as general business expenses (for example, employees' salaries and overheads) must not be deducted.</p> <p>(5) <i>Category 2.1</i> activities mean activities that fall within <i>category 2.1</i>.</p> <p>(6) In relation to a <i>firm</i> carrying out life distribution or pensions intermediation:</p> <p>(a) <i>category 2.1</i> activities also include activities that now fall within <i>category 2.1</i> but that were</p>

Class 2	Investment Intermediation Claims
<p>Tariff base for category 2.2</p> <p>Tariff base for category 2.3</p> <p>Tariff base for category 2.4</p>	<p>not <i>regulated activities</i> when they were carried out; and</p> <p>(b) a reference to a <i>firm</i> also includes a reference to any <i>person</i> who carried out activities that would now fall into <i>category 2.1</i> but which were not at the time <i>regulated activities</i>.</p> <p>For the <i>Society</i>, the aggregate of the tariff base for Insurance Class C1 in the Policyholder Protection part of the <i>PRA Rulebook</i> that would apply to each <i>member</i> if:</p> <p>(a) that tariff base applied to each <i>member</i> in respect of their <i>insurance business</i> in relation to <i>long-term insurance contracts</i> (including <i>pure protection contracts</i>); and</p> <p>(b) all references to “firm” or “participant firm” in the Policyholder Protection part of the <i>PRA Rulebook</i> were read as referring to the <i>member</i>.</p> <p>For all other <i>participant firms</i>, the tariff base for Insurance Class C1 in the Policyholder Protection part of the <i>PRA Rulebook</i>.</p> <p>The tariff base for <i>class 3</i> (Investment Provision Claims).</p> <p>The tariff base for Class A (DGS members) in the Depositor Protection part of the <i>PRA Rulebook</i> but only to the extent that it relates to deposits that are <i>structured deposits</i>.</p>
Class 3	Investment Provision Claims
<p>Firms with permission for:</p> <p>Tariff base</p>	<p>any of the following:</p> <ul style="list-style-type: none"> <i>managing investments;</i> <i>managing an AIF;</i> <i>managing a UK UCITS;</i> <i>acting as trustee or depositary of an AIF;</i> <i>acting as trustee or depositary of a UK UCITS</i> <i>establishing, operating or winding up a collective investment scheme;</i> <i>establishing, operating or winding up a stakeholder pension scheme;</i> <i>establishing, operating or winding up a personal pension scheme;</i> <i>agreeing to carry on a regulated activity</i> which is within any of the above. <p><i>Annual eligible income</i> where annual income is equal to the net amount retained by the <i>firm</i> of all income due to the <i>firm</i> in respect of or in relation to activities falling within <i>class 3</i>.</p> <p>Notes on <i>annual eligible income</i> for <i>class 3</i></p> <p>(1) For the purposes of calculating annual income, net amount retained means all the commission, fees, etc. in respect of activities falling within <i>class 3</i>, that the <i>firm</i> has not rebated to</p>

Class 3	Investment Provision Claims
	<p>customers or passed on to other <i>firms</i> (for example, where there is a commission chain). Items such as general business expenses (for example employees' salaries and overheads) must not be deducted.</p> <p>(2) [deleted]</p> <p>(3) Box management profits are excluded from the calculation of annual income.</p>
Class 4	Home Finance Intermediation Claims
<p>Category 4.1 Firms with permission for:</p>	<p>Home finance intermediation any of the following activities: <i>arranging (bringing about) a home finance transaction;</i> <i>making arrangements with a view to a home finance transaction;</i> <i>advising on a home finance transaction;</i> the activities of a <i>home finance provider</i> which would be arranging but for article 28A of the <i>Regulated Activities Order</i> (Arranging contracts or plans to which the arranger is a party); <i>agreeing to carry on a regulated activity</i> which is within any of the above.</p>
<p>Category 4.2 Firms with permission for:</p>	<p>Home finance provision any of the activities below: <i>entering into a home finance transaction;</i> <i>administering a home finance transaction;</i> <i>agreeing to carry on a regulated activity</i> which is within any of the above.</p>
<p>Tariff base for category 4.1</p>	<p><i>Annual eligible income</i> calculated in accordance with the fee-block A18 in part 3 of FEES 4 Annex 1AR.</p>
<p>Tariff base for category 4.2</p>	<p>The number of <i>home finance transactions</i>, calculated in accordance with the tariff base for fee-block A2 in part 3 of FEES 4 Annex 1AR.</p>
Class 5	Debt Management Claims
<p>Category 5.1 Firms with permission for:</p>	<p>Debt management any of the following except if held under a <i>limited permission</i>: <i>debt adjusting; and/or</i> <i>debt counselling;</i> in each case in relation to <i>protected debt management business</i> except where these activities are carried on by a <i>not-for-profit debt advice body</i>.</p>
<p>Category 5.2 Firms with permission for:</p>	<p>Consumer credit provision any of the following, except if held under a <i>limited permission</i>:</p>

Class 5	Debt Management Claims
Tariff base for category 5.1	entering into a regulated credit agreement as lender;
Tariff base for category 5.2	exercising, or having the right to exercise, the lender's rights and duties under a regulated credit agreement.
	Annual debts under management being the annual total value of the <i>participant firm's relevant debts under management</i> .
	Annual lending being the annual total amount provided under all <i>regulated credit agreements</i> in respect of which the <i>participant firm</i> is the lender, or exercises, or has the right to exercise, the lender's rights and duties under such agreements.
Class 6	Deposit acceptors' contribution
Firms with permission for:	accepting deposits and/or operating a dormant asset fund. BUT does not include any fee payer who either effects or carries out contracts of insurance.
Tariff base	The tariff base for Class A (DGS members) in the Depositor Protection part of the <i>PRA Rulebook</i> .
Class 7	Funeral Plan Claims
Firms with permission for:	any of the following in relation to a <i>funeral plan contract</i> :
	entering as provider into a funeral plan contract;
	carrying out a funeral plan contract as provider;
	dealing in investments as agent;
	arranging (bringing about) deals in investments;
	making arrangements with a view to transactions in investments;
	managing investments;
	safeguarding and administering investments;
	sending dematerialised instructions;
	causing dematerialised instructions to be sent;
	advising on investments;
	agreeing to carry on a regulated activity which is within any of the above.
Tariff base	Annual eligible income where annual income is equal to the net amount retained by the <i>firm</i> of all income due to the <i>firm</i> in respect of or in relation to activities falling within class 7.
Notes on <i>annual eligible income</i> for class 7: For the purposes of calculating annual income, "net amount retained" means all the commission (where relevant), fees, etc. in respect of activities falling within class 7 that the <i>firm</i> has not rebated to <i>customers</i> or passed on to other <i>firms</i> (for example, where there is a commission chain). Items such as general business expenses (for example, employees' salaries and overheads) must not be deducted.	
Notes for all classes	
(1) Any reference in this annex to a <i>specified investment</i> includes a reference to <i>rights to or interests in investments</i> in that <i>specified investment</i> .	

(2) In calculating *annual eligible income* a *firm* must apportion income between different *classes* and between income that falls within the definition of *annual eligible income* and income that does not in a reasonable and consistent way and on the basis of clear policies.

(3) The question of whether a *person* is an *eligible claimant* or not or whether business is compensatable business or not must be judged at whichever of the following dates the *firm* chooses:

(a) (for a *person* who has become a new *client* during the period by reference to which the *firm's* tariff base is being calculated) the date on which the *person* becomes a client;

(b) (for a *person* who has ceased to be a *client* during that period) the date on which the *person* ceases to be a *client*; or

(c) (in any other case) the date to which the most recent information supplied by the *firm* under FEES 6.5.13 R is prepared.

Guidance on the calculation of tariff bases

This table belongs to ■ FEES 6.5.8 G

		Calculation of annual eligible income for firms in category 2.3 and class 3 who carry out discretionary fund management and are in FCA fee block A7
-1.1	G	The tariff base for <i>category 2.3</i> and <i>class 3</i> is calculated by taking gross income falling into <i>category 2.3</i> and <i>class 3</i> and then deducting commission, fees and similar amounts rebated to customers or passed on to other <i>firms</i> (for example, where there is a commission chain). Items such as general business expenses (for example employees' salaries and overheads) should not be deducted. The calculation may be further adjusted so as to include only income that is attributable to business in respect of which the FSCS may pay compensation, unless the <i>firm</i> chooses to include all its annual income.
1.1	G	Gross income for the activity of <i>managing investments</i> is the sum of the following: <ol style="list-style-type: none"> (1) the amount of the annual charge on all assets in portfolios which the <i>firm</i> manages on a discretionary basis received or receivable in the latest accounting period (this is calculated as a percentage of funds invested, typically 1% p.a.); plus (2) the front-end or exit charge levied on sales or redemptions of assets in portfolios which the <i>firm</i> manages on a discretionary basis (typically 4-5% of sales/redemptions) in that same accounting period; plus (3) the amount of performance management fees from the management of assets in portfolios which the <i>firm</i> manages on a discretionary basis received or receivable in that same accounting period; plus (4) any other income directly attributable to the management of assets in portfolios which the <i>firm</i> manages on a discretionary basis in that same accounting period, including commission and interest received.
1.2	G	<i>Annual eligible income</i> should exclude income received or receivable from assets managed on a non-discretionary basis, being assets that the <i>firm</i> has a contractual duty to keep under continuous review but in respect of which prior specific consent of the client must be obtained for proposed transactions, as this activity is covered in <i>category 2.1</i> (the life distribution and investment intermediation <i>category</i>).
1.3	G	A <i>firm</i> should make appropriate arrangements to ensure that income is not double counted in relation to the activities it undertakes (for example, where it operates and manages a <i>personal pension scheme</i> or <i>collective investment scheme</i>). Calculation of annual eligible income for firms in category 2.3 and class 3 and who carry out activities within FCA fee block A9
2.1	G	The calculation of income in respect of activities falling into <i>category 2.3</i> or <i>class 3</i> , and FCA fee block A9 should be based on the tariff base provisions for that fee block (in Part 3 of FEES 4 Annex 1A R). It may be adjusted so as to include only income that is attributable to business in respect of which the FSCS may pay compensation, unless the <i>firm</i> chooses to include all its annual income.
2.2	G	Although the calculation should be based on the one for fee block A9, the calculation is not the same. FCA fee block A9 is based on gross income. <i>Category 2.3</i> and <i>class 3</i> are based on net income retained.
		Calculation of annual eligible income for a firm in categories 1.1 or 2.1

Calculation of annual eligible income for firms in category 2.3 and class 3 who carry out discretionary fund management and are in FCA fee block A7

- 3.1 G The amount of *annual eligible income* should include the amount of any trail or renewable commission due to the *firm*. Trail commission is received as a small percentage of the value of a policy on an ongoing basis. Renewable commission is received from a very small percentage of the value of a policy from ongoing premiums often received once the initial commission period is over.
- Difficulties in calculating annual eligible income
- 4.1 G The purpose of Note 2 in the section of notes at the end of FEES 6 Annex 3AR (Financial Services Compensation Scheme - classes) is to deal with the practical difficulties of allocating income correctly between different *classes* and in deciding whether income falls outside FEES 6 Annex 3AR altogether. Note 2 requires a *firm* to carry out the necessary apportionment on a reasonable and consistent basis.
- 4.2 G The following provides some *guidance* as to how *firms* may approach the allocation of *annual eligible income*.
- 4.3 G Where a *firm* cannot separate its income on the basis of activities, such as a fund manager which acts on a discretionary and non-discretionary basis for the same *client* and who only sends out a single invoice, the *firm* may apportion the income in another way. For instance, a *firm* may calculate that the business it undertook for a *client* was split 90% on a discretionary basis and 10% on a non-discretionary basis calculated by reference to funds under management. The *firm* may split the income accordingly.
- 4.4 G A *firm* may allocate trail or renewable commission on the basis of the type of *firm* it receives it from. For instance, if it comes from a life provider the *firm* may consider it as life and pensions mediation income. If it comes from a fund manager the *firm* may treat it as investment mediation income.
- 4.5 G If a *firm* receives *annual eligible income* from a platform based business it may report *annual eligible income* in line with the proportionate split of business that the *firm* otherwise undertakes. For instance, if a *firm* receives 70% of its other commission from life and pensions mediation business and 30% from investment mediation business, then it may divide what it receives in relation to the platform business on the same basis.
- 4.5A G *Firms* should have regard to the ability of the FSCS to pay compensation to members of pension schemes and to *participants* in *collective investment schemes* (see COMP 12A (Special cases)) when calculating their *annual eligible income*.
- 4.6 G Unless a *firm* chooses to include all relevant annual income, *annual eligible income* excludes business that is not compensatable under the *compensation scheme*. This can create difficulties because, for example, a *person* may move between being and not being an *eligible claimant* over time. The purpose of Note 3 in the section of notes at the end of FEES 6 Annex 3AR is to deal with that difficulty by fixing a date for deciding this.

Classes participating in the retail pool and applicable limits [deleted]

Chapter 7

CFEB Levies [deleted]

Chapter 7A

SFGB levies

7A.1 Application and Purpose

Application

7A.1.1

R

This chapter applies to the *persons* listed in:

- (1) ■ FEES 1.1.2R(5) in relation to the *SFGB money advice levy* and *SFGB debt advice levy*; and
- (2) ■ FEES 7A.1.2R in relation to the *SFGB pensions guidance levy*.

7A.1.2

R

The *SFGB pensions guidance levy* applies to a *firm* that:

- (1) has a *Part 4A Permission*
- (2) falls within one or more of the following activity groups listed in Part 1 of ■ FEES 4 Annex 1AR:
 - (a) A.1 Deposit acceptors;
 - (b) A.4 Insurers – life;
 - (c) A.7 Portfolio managers except Class (1)A *firms*;
 - (d) A.9 Managers and depositaries of investment funds, and operators of collective investment schemes or pension schemes; and
 - (e) A.13 Advisors, arrangers, dealers or brokers.

Purpose

7A.1.3

G

The purpose of this chapter is to set out the requirements on the *persons* listed in ■ FEES 7A.1.1R to fund the Secretary of State costs relating to the *SFGB*, and the related *FCA* collection costs.

Background

7A.1.4

G

Under section 137SA(1) (Rules to recover expenses relating to the single financial guidance body) of the *Act*, the Secretary of State may, from time to time, notify the *FCA* of the expenses incurred, or expected to be incurred, in connection with the operation of the *SFGB* or under section 12 of the Financial Guidance and Claims Act 2018. Expenses arise under section 12 when the Secretary of State:

- (1) pays grants or makes loans, or gives any other form of financial assistance, to meet expenditure in connection with the establishment of the *SFGB*; and

(2) pays grants or makes loans, or gives any other form of financial assistance, to the SFGB for the purpose of enabling the SFGB to carry out its functions.

7A.1.5 **G** When the Secretary of State has notified the FCA under section 137SA(1) , under subsections (2) and (3) the FCA must make rules requiring *authorised persons, electronic money issuers or payment service providers* (or any specified class of the same) to pay specified sums, or sums calculated in a specified way to the FCA with a view to recovering:

- (1) the amount notified by the Secretary of State; and
- (2) expenses incurred by the FCA in connection with its functions under section 137SA of the Act.

7A.1.6 **G** This chapter contains the *rules* referred to in ■ FEES 7A.1.4G(2).

7A.1.7 **G** Under section 137SA(8) of the Act, the FCA must pay to the Secretary of State the amounts that it receives pursuant to the *rules* in this chapter, apart from amounts covering its collection costs (which the FCA may keep).

7A.1.8 **G** The total amount raised by the SFGB levy may vary from year to year depending on the amount notified to the FCA by the Secretary of State.

Exemption

7A.1.9 **R** A firm is not liable to pay a SFGB levy in relation to *payment services or electronic money issuance* if it is the Bank of England, a government department, a local authority, a municipal bank or the National Savings Bank.

Gibraltar-based firms

7A.1.10 **R** (1) In accordance with ■ GEN 2.3 (General saving of the Handbook for Gibraltar), *rules or guidance* in ■ FEES 7A that immediately before *IP completion day* applied in relation to or in connection with Gibraltar will continue to apply after *IP completion day*. The exceptions to this provision are the fee rates set out in Part 1 of ■ FEES 7A Annex 1R , Part 4 of ■ FEES 7A Annex 2R and ■ 7A Annex 3R which may change each *fee year*.

The modifications that will continue to apply to Gibraltar-based firms (as defined in ■ GEN 2.3) in relation to payment of the SFGB money advice levy are:

Activity group	Percentage deducted from the tariff payable under FEES 7A Annex 1R applicable to the Gibraltar-based firm
A.1	10%
A.3	10%
A.4	10%
A.7	10%

A.9	10%
A.10	10%
A.13	10%
A.18	10%
A.19	50%
B. MTF and OTF operators	Not applicable
AP.0	100%
G.2	40%
G.3	40%
G.10	40%
Note 1	The modifications to fee tariffs payable by a Gibraltar-based firm apply only in relation to the relevant regulated activities of the firm which are carried on in the <i>United Kingdom</i> .
Note 2	The <i>FCA</i> minimum fees described in FEES 7A Annex 1R apply in full.



7A.2 The SFGB levy

7A.2.1 **R** The *SFGB levy* is made up of:

- (1) the *SFGB money advice levy*, as set out in ■ FEES 7A.3;
- (2) the *SFGB debt advice levy*, as set out in ■ FEES 7A.3; and
- (3) the *SFGB pensions guidance levy*, as set out in ■ FEES 7A.4.

7A.2.2 **G** Schedule 6A to the *Act* sets out a procedure to enable the *FCA* to cancel or vary the *Part 4A permission* of a *person* who it appears to the *FCA* is not carrying on a *regulated activity*. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of *Part 4A permission* in specified circumstances. Where the *FCA* grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of *Part 4A permission* is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, any part of the *SFGB levy* applicable to the *person*, in relation to the period during which the *person's Part 4A permission* was cancelled or varied, applies to the *person*.

7A.3 The SFGB money advice levy and debt advice levy

Obligation to pay money advice levy or debt advice levy

- 7A.3.1** **R** A *firm* must pay the *SFGB money advice levy* or *SFGB debt advice levy* applicable to it:
- (1) in full and without deduction (unless permitted or required by a provision in *FEES*); and
 - (2) by 1 August or, if later, within 30 *days* of the date of the invoice in the *fee year* to which that sum relates.

- 7A.3.1A** **R** Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and the *person* falls within **■ FEES 7A.3.1R** and the annulment takes effect after 1 August or after the invoice referred to in **■ FEES 7A.3.1R(2)** has been issued, then the date for payment referred to in **■ FEES 7A.3.1R(2)** does not apply, but the *person* must pay the *SFGB money advice levy* or *SFGB debt advice levy* applicable to it in full and without deduction, on the date on which the annulment takes effect.

- 7A.3.2** **R** [deleted]

Calculation of the money advice levy and debt advice levy

- 7A.3.3** **R** The *SFGB money advice levy* and *SFGB debt advice levy* are each calculated as follows:
- (1) identify each of the activity groups set out in Part 1 of **■ FEES 7A Annex 1R** and Part 1 of **■ FEES 7A Annex 2R** that apply to the business of the *firm* for the relevant period (for this purpose, the activity groups under **■ FEES 7A Annex 1R** are defined in accordance with Part 1 of **■ FEES 4 Annex 1AR** and the activity groups under **■ FEES 7A Annex 2R** are defined in accordance with Part 1 of that Annex);
 - (2) calculate, for each of those activity groups identified in (1), the amount payable in the way set out in **■ FEES 7A.3.4R**;
 - (3) add each of the amounts calculated under (2);
 - (4) work out whether a minimum fee is payable under Part 2 of **■ FEES 7A Annex 1R** and if so how much;

- (5) add together the amounts calculated under (3) and (4);
- (6) modify the result as indicated by (if applicable) ■ FEES 4.2.7ER, ■ FEES 4.2.7FR, ■ FEES 4.2.7GR, ■ FEES 4.2.7HR, ■ FEES 4.2.7IR, ■ FEES 4.2.7JG and ■ FEES 4.2.7KR;
- (7) apply any applicable payment charge specified in ■ FEES 4.2.4R to the amount in (6), provided that:
 - (a) for payment by direct debit, successful collection of the amount due is made at the first attempt by the FCA; or
 - (b) for payment by credit transfer, the amount due is received by the FCA on or before the due date; and
- (8) make the calculations using information obtained in accordance with ■ FEES 4.4 in the case of ■ FEES 7A Annex 1R and Part 3 of ■ FEES 7A Annex 2R in the case of Part 2 of that Annex.

7A.3.4

R

The amount payable by a *firm* with respect to a particular activity group is calculated as follows:

- (1) calculate the size of the *firm's* tariff base for that activity group using:
 - (a) the tariff base calculations in Part 3 of ■ FEES 4 Annex 1AR, Part 3 of ■ FEES 4 Annex 11 and Part 2 of ■ FEES 7A Annex 2R; and
 - (b) the valuation date requirements in Part 5 of ■ FEES 4 Annex 1AR, Part 3 of ■ FEES 4 Annex 11R and Part 3 of ■ FEES 7A Annex 2;
- (2) use the figure in (1) to calculate which of the bands set out in the table in Part 1 of ■ FEES 7A Annex 1R and Part 4 of ■ FEES 7A Annex 2R the firm falls into;
- (3) add together the fixed sums, as set out in the table in Part 1 of ■ FEES 7A Annex 1R and Part 4 of ■ FEES 7A Annex 2R, applicable to each band identified under (2);
- (4) the amount in (3) is the amount payable by the *firm* with respect to that activity group.

7A.3.5

R

For the purposes of ■ FEES 7A.3.4R:

- (1) a *firm* may apply the relevant tariff bases and rates to its non-UK business, as well as to its UK business, if:
 - (a) it has reasonable grounds for believing that the costs of identifying the *firm's* UK business separately from its non-UK business in the way described in Part 3 of ■ FEES 4 Annex 1AR and Part 1 of ■ FEES 4 Annex 11R are disproportionate to the difference in fees payable; and
 - (b) it notifies the FCA in writing at the same time as it provides the information concerned under ■ FEES 4.4 (Information on which fees are calculated), or, if earlier, at the time it pays the fees concerned;
- (2) for a *firm* which has not complied with ■ FEES 4.4.2R (information on which fees are calculated) or ■ FEES 4.4.8D (Information relating to

payment services and the issuance of electronic money) for this period, the *SFGB money advice levy* and *SFGB debt advice levy* is calculated using (where relevant) the valuation or valuations of business applicable to the previous period, multiplied by the factor of 1.10.

7A.3.6 **R** The modifications in Part 3 of **FEES 4 Annex 2AR** and Part 7 of **FEES 4 Annex 11R** apply.

Amount payable by the Society of Lloyds

7A.3.7 **R** The *SFGB money advice levy* in relation to the *Society* is specified against its activity group in Part 1 of **FEES 7A Annex 1R**.

FEES 4 rules incorporated into FEES 7A by cross-reference

7A.3.8 **G** The *FCA Handbook* provisions relating to the *SFGB money advice levy* and *SFGB debt advice levy* are meant to follow closely the provisions relating to the payment of periodic fees under **FEES 4.3.1R**. For brevity, not all of these provisions are set out again in **FEES 7A**. In some cases, certain **FEES 4** rules are applied to the payment of the *SFGB money advice levy* and *SFGB debt advice levy* by individual rules in **FEES 7A**. The rest are set out in the table in **FEES 7A.3.10R**.

7A.3.9 **R** The *rules* set out in the table in **FEES 7A.3.10R** and any other *rules* in **FEES 4** included in **FEES 7A** by cross-reference apply to the *SFGB money advice levy* and *SFGB debt advice levy* in the same way as they apply to periodic fees payable under **FEES 4.3.1R**.

7A.3.10 **R** Table of rules in **FEES 4** that also apply to **FEES 7A** to the extent that in **FEES 4** they apply to fees payable to the *FCA*

FEES 4 rules incorporated into FEES 7A	Description
FEES 4.2.7ER	Modifications for persons becoming subject to periodic fees during the course of a <i>fee year</i>
FEES 4.2.7FR	Calculating the fee in the firm's first year of authorisation
FEES 4.2.7GR	Calculating fees in the second fee-year where the firm received permission between 1 January and 31 March in its first fee year
FEES 4.2.7HR to FEES 4.2.7KR	Calculating all other fees in the second and subsequent years of authorisation where a full year of tariff data is not available
FEES 4.2.10R	Extension of time
FEES 4.2.11R (first entry only)	Due date and changes in permission for periodic fees
FEES 4.3.7R	Groups of firms

FEES 4 rules incorporated into FEES 7A	Description
FEES 4.3.13R	Firms applying to cancel or vary permission before start of period
FEES 4.3.17R	Firms acquiring businesses from other firms
FEES 4.4.1R to FEES 4.4.6AR	Information on which fees are calculated

7A.3.11 **D** ■ FEES 4.4.7D to ■ FEES 4.4.9D (Information relating to payment services and the issuance of electronic money) also apply to ■ FEES 7A.

7A.3.12 **R** References in a ■ FEES 4 rule incorporated into ■ FEES 7A by cross-reference to a periodic fee should be read as being to the *SFGB money advice levy* and *SFGB debt advice levy*. References in a ■ FEES 4 rule incorporated into ■ FEES 7A to *market operators, service companies, MTF operators, investment exchanges, or designated professional bodies* should be disregarded.

7A.3.13 **G** In some cases, a ■ FEES 4 rule incorporated into ■ FEES 7A in the manner set out in ■ FEES 7A.3.8G will refer to another rule in ■ FEES 4 that has not been individually incorporated into ■ FEES 7A. Such a reference should be read as being to the corresponding provision in ■ FEES 7A. The main examples are set out in ■ FEES 7A.3.14G.

7A.3.14 **G** Table of FEES 4 rules that correspond to FEES 7A rules

FEES 4 rules	Corresponding FEES 7A rules
FEES 4.2.1R	FEES 7A.3.1R
FEES 4.3.1R	FEES 7A.3.3R
FEES 4.3.3R	FEES 7A.3.3R
FEES 4.3.3AR	FEES 7A.3.3R
FEES 4.3.12R	FEES 7A.3.6R
FEES 4.3.12AR	FEES 7A.3.6R
Part 1 of FEES 4 Annex 2AR	Part 1 of FEES 7A Annex 1R
Part 2 of FEES 4 Annex 11R	Part 1 of FEES 7A Annex 1R
Part 5 of FEES 4 Annex 11R	Part 1 of FEES 7A Annex 1R

7A

7A.4 The SFGB pensions guidance advice levy

Obligation to pay SFGB pensions guidance levy

- 7A.4.1** **R** A firm must pay the SFGB pensions guidance levy applicable to it:
- (1) in full and without deduction by 1 August or, if later, within 30 days of the date of the invoice in the fee year to which that sum relates; and
 - (2) in accordance with the rules in this section.

- 7A.4.1A** **R** Where the FCA grants a person's application for annulment of a cancellation or variation of Part 4A permission under Schedule 6A to the Act and the person falls within **■ FEES 7A.4.1R** and the annulment takes effect after 1 August or after the invoice referred to in **■ FEES 7A.4.1R(1)** has been issued, then the date for payment referred to in **■ FEES 7A.4.1R(1)** does not apply, but the person must pay the SFGB pensions guidance levy applicable to it in full and without deduction, on the date on which the annulment takes effect.

Calculation of SFGB pensions guidance levy

- 7A.4.2** **R** The SFGB pensions guidance levy applicable to a particular firm is calculated as follows:
- (1) identify each of the activity groups in **■ FEES 7A.1.2R(2)** that apply to the business of the firm for the relevant period;
 - (2) calculate the amount payable under **■ FEES 7A.4.3R** for each of those activity groups;
 - (3) modify the result in accordance with, if applicable, **■ FEES 7A.4.4R**; and
 - (4) apply any payment charge in **■ FEES 4.2.4R**.

- 7A.4.3** **R** The amount payable for a particular activity group is calculated as follows:
- calculate the size of the firm's tariff base for the activity group using:
- (i) the tariff base calculations in Part 3 of **■ FEES 4 Annex 1AR**; and
 - (ii) the valuation date requirements in Part 5 of **■ FEES 4 Annex 1AR**;

exclude best estimate liabilities for fees purposes in the calculation for fee-block A4;

use the figure in (1) to calculate the levy applicable for each band in ■ FEES 7A Annex 3R;

add together the sums for each applicable band under (2);

the amount in (3) is the amount payable by the *firm* for that activity group.

- 7A.4.4** **R** For the first *fee year* during which ■ FEES 7A.4.2R applies to a *firm's permission* to carry on a *regulated activity*, the *SFGB pensions guidance levy* applicable to that permission must be modified using the formula in ■ FEES 4.2.6R.
- 7A.4.5** **R** For ■ FEES 7A.4.3R, a *firm* may apply the relevant tariff bases and rates to its non-UK business, as well as to its UK business, if:
- (1) it has reasonable grounds for believing that the cost of identifying the *firm's UK business* separately from its non-UK business is disproportionate to the difference in the *SFGB pensions guidance levy* payable by it; and
 - (2) it notifies the *FCA* in writing:
 - (a) at the same time as it provides the information concerned under ■ FEES 4.4 (Information on which fees are calculated); or
 - (b) if earlier, at the time it pays the *SFGB pensions guidance levy* applicable to it.
- 7A.4.6** **R** The *SFGB pensions guidance levy* is calculated using the same information that is used to calculate a *firm's* periodic fee under ■ FEES 4.
- 7A.4.7** **R** Where a *firm* which has not complied with ■ FEES 4.4.2R (information on which fees are calculated) in relation to a particular *fee year* the *SFGB pensions guidance levy* for that *firm* for that *fee year* is calculated using (where relevant) the valuation(s) of business used to calculate the *SFGB pensions guidance levy* for that *firm* for the previous *fee year*, multiplied by the factor of 1.10.
- 7A.4.8** **G** **Application of FEES 4 to the SFGB pensions guidance levy**.....
- (1) The *FCA Handbook* provisions relating to the *SFGB pensions guidance levy* are meant to follow closely the provisions relating to the payment of periodic fees payable by an *authorised person* under ■ FEES 4.
 - (2) As such, the table in ■ FEES 7A.4.11R lists rules in ■ FEES 4 that also apply, in a modified form, to the *SFGB pensions guidance levy*.

7A.4.9 **R** The *rules* in the table in **■ FEES 7A.4.11R** and any other rules in *FEES* included in **■ FEES 7A.4** by cross-reference apply to the *SFGB pensions guidance levy* in the same way as they apply to periodic fees payable under **■ FEES 4**.

7A.4.10 **R** A reference to a periodic fee in a **■ FEES 4 rule** incorporated into **■ FEES 7A.4** must be read, for the purposes of applying that *rule* to the *SFGB pensions guidance levy*, as a reference to the *SFGB pensions guidance levy*.

7A.4.11 **R** Table of rules in **■ FEES 4** that also apply in **■ FEES 7A.4**.

FEES 4 rules incorporated into FEES 7A.4	Description	Modifications
FEES 4.2.7ER	Modifications for persons becoming subject to periodic fees during the course of a <i>fee year</i>	None
FEES 4.2.7FR	Calculating the fee in the firm's first year of authorisation	None
FEES 4.2.7GR	Calculating fees in the second fee year where the firm received permission between 1 January and 31 March in its first fee year	None
FEES 4.2.7HR to FEES 4.2.7KR	Calculating all other fees in the second and subsequent years of authorisation where a full year of tariff data is not available	None
FEES 4.2.8R	How FEES 4.2.7R applies to an incoming EEA firm or an incoming Treaty firm	None
FEES 4.2.9R	Fee payers ceasing to hold relevant status or reducing the scope of their permission after start of relevant period	Reference to column (1) of the table in FEES 4.2.11R is a reference to FEES 7A.1.3G
FEES 4.3.7R	Groups of firms	Reference to FEES 4.2.1R is a reference to FEES 7A.4.1R
FEES 4.3.13R	Firms applying to cancel or vary permission before start of period	Reference to FEES 4.2.1R is a reference to FEES 7A.4.1R
FEES 4.3.17R	Firms applying to cancel or vary permission before start of period	Reference to FEES 4.2.7ER to FEES 4.2.7KR is a reference to FEES 7A.4.4R Reference to FEES 4.2.1R is a reference to FEES 7A.4.1R
FEES 4.4.1R to FEES 4.4.6AR	Information on which fees are calculated	None

SFGB money advice levy for the period from 1 April 2023 to 31 March 2024

Part 1

This table shows the *SFGB money advice levy* applicable to each activity group (fee-block).

Activity group	SFGB money advice levy payable	
A.1	Band Width (£ million of Modified Eligible Liabilities (MELs))	Fee (£/£m or part £m of MELs)
	>10	0.897
A.2	Band Width (no. of mortgages and/or <i>home finance transactions</i>)	Fee (£/mortgage)
	>50	0.446
A.3	Gross written premium for fees purposes (GWP)	
	Band Width (£ million of GWP)	Fee (£/£m or part £m of GWP)
	>0.5	17.48
	PLUS Best estimate liabilities for fees purposes (BEL)	
A.4	Band Width (£ million of BEL)	Fee (£/£m of part £m of BEL)
	>1	1.15
	Gross written premium for fees purposes (GWP)	
	Band Width (£ million of GWP)	Fee (£/£m or part £m of GWP)
A.4	>1	11.64
	PLUS Best estimate liabilities for fees purposes (BEL)	
	Band Width (£ million of BEL)	Fee (£/£m or part £m of BEL)
	>1	0.775

Activity group	SFGB money advice levy payable	
A.5	Band Width (£ million of Active Capacity (AC))	Fee (£/£m or part £m of AC)
	>50	0.00
A.6	Flat levy	0.00
A.7	For class 1(c),(2), (3) and (4) firms:	
	Band Width (£ million of Funds under Management (FuM))	Fee (£/£m of part £m of FuM)
	>10	0.084
	For class 1(B) firms: the fee calculated as for class 1(C) firms above, less 15%.	
	For class 1(A) firms: the fee calculated as for class 1(C) firms above, less 50%.	
	Class 1(A), (B) and (C) firms are defined in FEES 4 Annex 1AR.	
A.9	Band Width (£ million of Gross Income (GI))	Fee (£/£m of part £m of GI)
	>1	81.04
A.10	Band Width (no. of traders)	Fee (£/trader)
	>1	128.36
A.13	For class (2) firms	
	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	0.0482
	For a professional firm in A.13 the fee is calculated as above less 10%.	
A.14	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	0.0174
A.18	Band Width (£ thousands of Annual Income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	0.116
A.19	Band Width (£ thousands of Annual Income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	0.0196
A.21	Band Width (£ client money (CM) held)	Fee (£/£ millions or part £m of CM)
	less than £1 million	1.108

Activity group	SFGB money advice levy payable	
	an amount equal to or greater than £1 million but less than or equal to £1 billion	0.831
	more than £1 billion	0.554
	PLUS	
	<i>Safe custody assets</i>	
	Band Width (£ safe custody assets) (CA) held	Fee (£/£ millions or part £m of CA)
	less than £10 million	0.0047
	an amount equal to or greater than £10 million and less than or equal to £100 billion	0.0035
	more than £100 billion	0.0024
G.3	Minimum fee (£)	10
	£ thousands or part £ thousand of Relevant Income	Fee (£/£thousand or part £ thousand of Relevant Income)
	>100	0.0209
G.4	Flat fee (£)	10
G.10	Minimum fee (£)	10
	£ million or part £m of average outstanding electronic money (AOEM)	Fee (£/£m or part £m of AOEM)
	>5.0	1.630
G.11	Flat fee (£)	10
CC.1	Minimum fee (£)	10
	£ thousand of annual income (AI)	Fee (£/£ thousand or part £ thousand of AI)
	>250	0.0872
CC.2	Minimum fee (£)	10

Activity group	SFGB money advice levy payable	
	£ thousands of annual income (AI)	Fee (£/£ thousand or part £ thousand of AI)
	>250	0.0872

Notes

(1) The definitions of fee-blocks G5 and G10 under Part 2 and Part 2A of FEES 4 Annex 11R are modified, for the purposes of FEES 7A so that they exclude the Bank of England, government departments, local authorities, municipal banks and the National Savings Bank.

(2) The definitions of those fee-blocks are further amended to exclude *EEA firms* and those which hold a *Part 4A permission*.

Part 2

- (1) This part sets out the minimum *SFGB money advice levy* applicable to the *firms* specified in (3) below.
- (2) The minimum *SFGB money advice levy* payable by any *firm* referred to in (3) is £10.
- (3) A *firm* is referred to in this paragraph if it falls within the following activity groups: A.1; A.2; A.3 (excluding *UK ISPVs*); A.4; A.5; A.7; A.9; A.10; A.12; A.13; A.14; A.18; A.19; G.3 and G.10.

SFGB debt advice levy for the period from 1 April 2023 to 31 March 2024

Part 1

This table shows how the FCA links the *regulated activities* for which a *firm* has permission to activity groups (fee-blocks). A *firm* can use the table to identify which fee-blocks it falls into based on its *permission* for the purposes of the *SFGB debt advice levy* applicable to each activity group (fee-block).

Activity group	SFGB debt advice levy payer falls in the activity group if:
A.2 Home finance providers and administrators	It falls under activity group A.2 as defined in Part 1 of FEES 4 Annex 1AR.
CC.3 Consumer credit lending	<p>Its <i>permission</i> is in relation to the following regulated activities:</p> <ul style="list-style-type: none"> - <i>entering into a regulated credit agreement as lender</i> (article 60B(1) of the <i>Regulated Activities Order</i>); - <i>exercising, or having the right to exercise, the lender's rights and duties under a regulated credit agreement</i> (article 60B(2) of the <i>Regulated Activities Order</i>); <p>which is carried on by way of business and relates to the following <i>specified investments</i>:</p> <ul style="list-style-type: none"> (a) a regulated credit agreement (excluding <i>high-cost short-term credit</i>, a <i>home credit loan agreement</i> and a <i>bill of sale loan agreement</i>); (b) <i>high-cost short-term credit</i>; (c) a <i>home credit loan agreement</i>; (d) a <i>bill of sale loan agreement</i>.

Part 2

Activity group	Tariff base
A.2 Home finance providers and administrators	The sterling value of any residential loans to individuals being the sum of gross unsecured and securitised balances (applying the definitions of Unsecured balances and Securitised balances set out in Section A: Balance Sheet of SUP 16 Annex 19BG.)
CC.3 Consumer credit lending	<p>Value of lending in column A of <i>data item</i> CCR003 reported by <i>firms</i> under SUP 16 Annex 38AR, being the sum of <i>data elements</i> entered in rows:</p> <ul style="list-style-type: none"> - 1 Debt purchasing; - 2 Hire purchase/conditional sale agreements; - 3 Home credit loan agreements; - 4 Bill of sale loan agreements; - 5 Pawnbroking; - 6 High-cost short-term credit; - 11 Overdrafts; - 12 Other running-account credit; and - 8 Other lending.

Note

(1) The tariff base for *authorised professional firms* that do not submit *data item* CCR003 under SUP 16 Annex 38AR is the same as set out above and should be reported to the FCA as required by FEES 4.4.1R and FEES 4.4.2R. The valuation date is in accordance with the CC.3 valuation date in Part 3.

Part 3

This table indicates the valuation date for each fee-block. A *firm* can calculate its tariff data in respect of the *SFGB debt advice levy* payable to the FCA by that *firm*.

Activity group	Valuation date
A.2 Home finance providers and administrators	The 31 December before the start of the period to which the fee applies or, if earlier, the date of the valuation as disclosed by the annual return made in the calendar year prior to the 31 December.
CC.3 Consumer credit lending	Value of lending under Part 2 valued at the <i>firm's accounting reference date</i> in the calendar year ending 31 December occurring before the start of the period to which the <i>SFGB debt advice levy</i> applies.

Part 4

This table shows the tariff rates applicable to each of the fee-blocks set out in Part 1

Activity group	SFGB debt advice levy payable	
A.2 Home finance providers and administrators	Band width (£million of secured debt)	Fee (£/£m or part £m of secured debt)
	>0	27.05
CC.3 Consumer credit lending	Band width (£million of value of lending)	Fee (£/£m or part £m of value of lending)
	>0 (Note 1)	173.01
Notes		
(1) <i>Credit unions</i> and <i>community finance organisations</i> do not pay any <i>SFGB debt advice levy</i> on the first £2,000,000 of value of lending.		

SFGB pensions guidance levy for the period 1 April 2023 to 31 March 2024

Activity group	SFGB pensions guidance levy payable	
A.1	Band width (£ million of modified eligible liabilities (MELs)) >10	Fee (£/£m or part £m of MELs) 2.393
A.4	Band width (£ million of gross written premium for fees purposes (GWP)) >1	Fee (£/£m or part £m of GWP) 69.99
A.7	For class 1(B), 1 (C), (2) and (3) firms: Band width (£ million of funds under management (FuM)) >10	Fee (£/£m or part £m of FuM) 0.833
A.9	Band width (£ million of gross income (GI)) >1	Fee (£/£m or part £m of GI) 433.81
A.13	Band width (£ thousands of annual income (AI)) >100	Fee (£/£ thousand or part of £ thousand of AI) 0.1226

Chapter 7B

The DA levy

7B.1 Application and Purpose

Application

7B.1.1 **R** This chapter applies to every *person* listed in ■ FEES 1.1.2R(5).

Purpose

7B.1.2 **G** The purpose of this chapter is to set out the requirements on the *persons* listed in ■ FEES 7B.1.1R to fund the Treasury's costs relating to the provision of debt advice by the *Devolved Authorities*, and the related *FCA* collection costs.

Background

7B.1.3 **G** The Treasury's debt advice costs are defined in subsection 1 of section 137SB (Rules to recover debt advice expenses incurred by the devolved authorities) of the *Act* as the expenses incurred, or expected to be incurred, by the *Devolved Authorities* in connection with the provision of information and advice on debt to members of the public in Scotland, Wales and Northern Ireland.

7B.1.4 **G**

- (1) Under section 137SB(1) of the *Act*, the Treasury may notify the *FCA* of the amount of the debt advice costs.
- (2) Sections 137SB(2) and (3) of the *Act* require the *FCA* to make *rules* requiring *authorised persons, electronic money issuers or payment service providers* to pay specified sums, or sums calculated in a specified way, to the *FCA* with a view to recovering:
 - (a) the amount notified by the Treasury; and
 - (b) expenses incurred by the *FCA* in connection with its functions under section 137SB of the *Act*.

7B.1.5 **G** This chapter contains the *rules* referred to in ■ FEES 7B.1.4G(2).

7B.1.6 **G** Under section 137SB(8) of the *Act*, the *FCA* must pay to the Treasury the amounts that it receives under these *rules*, apart from amounts covering its collection costs (which it may keep).

7B.1.7 **G** The total amount raised by the *DA levy* may vary from year to year depending on the amount notified to the *FCA* by the Treasury.

7B.1.8 **G** These *rules* were made with the consent of the Treasury pursuant to section 137SB(5) of the Act.

Exemption

7B.1.9 **R** A *firm* is not liable to pay a *DA levy* in relation to *payment services* or *electronic money issuance* if it is the Bank of England, a government department, a local authority, a municipal bank or the National Savings Bank.

Gibraltar-based firms

7B.1.10 **R** In accordance with ■ GEN 2.3 (General saving of the Handbook for Gibraltar), *rules* or *guidance* in ■ FEES 7B that immediately before *IP completion day* applied in relation to or in connection with Gibraltar will continue to apply after *IP completion day*. The exceptions to this provision are the fee rates set out in Part 4 of ■ FEES 7B Annex 1R, which may change each *fee year*.

7B.2 The DA levy

Obligation to pay DA levy

- 7B.2.1** **R** A *firm* must pay the *DA levy* applicable to it:
- (1) in full and without deduction (unless permitted or required by a provision in *FEES*); and
 - (2) by 1 August or, if later, within 30 days of the date of the invoice in the fee year to which that sum relates.

- 7B.2.1A** **G** Schedule 6A to the *Act* sets out a procedure to enable the *FCA* to cancel or vary the *Part 4A permission* of a *person* who it appears to the *FCA* is not carrying on a *regulated activity*. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of *Part 4A permission* in specified circumstances. Where the *FCA* grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of *Part 4A permission* is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, the *DA levy* in relation to the period during which the *person's Part 4A permission* was cancelled or varied applies to the *person*.

- 7B.2.1B** **R** Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and the *person* falls within **FEES 7B.2.1R** and the annulment takes effect after 1 August or after the invoice referred to in **FEES 7B.2.1R(2)** has been issued, then the date for payment referred to in **FEES 7B.2.1R(2)** does not apply, but the *person* must pay the *DA levy* applicable to it in full and without deduction, on the date on which the annulment takes effect.

Calculation of DA levy

- 7B.2.2** **R** The *DA levy* is calculated as follows:
- (1) identify each of the activity groups set out in Part 1 of **FEES 7B Annex 1R** that apply to the business of the *firm* for the relevant period (for this purpose, the activity groups under **FEES 7B Annex 1R** are defined in that Annex or in accordance with Part 1 of **FEES 4 Annex 1AR**);
 - (2) for each of those activity groups, calculate the amount payable in the way set out in **FEES 7B.2.3R**;
 - (3) add each of the amounts calculated under (2);

- (4) modify the result as indicated by the table in ■ FEES 4.2.7ER, ■ FEES 4.2.7FR, ■ FEES 4.2.7GR, ■ FEES 4.2.7HR, ■ FEES 4.2.7IR, ■ FEES 4.2.7JG and ■ FEES 4.2.7KR (if applicable);
- (5) apply any applicable payment charge specified in ■ FEES 4.2.4R to the amount in (4), provided that:
 - (a) for payment by direct debit, successful collection of the amount due is made at the first attempt by the FCA; or
 - (b) for payment by credit transfer, the amount due is received by the FCA on or before the due date; and
- (6) make the calculations using information obtained in accordance with Part 3 of ■ FEES 7B Annex 1R in the case of Part 2 of that Annex.

7B.2.3 **R** The amount payable by a *firm* with respect to a particular activity group is calculated as follows:

- (1) calculate the size of the *firm's* tariff base for that activity group using:
 - (a) the tariff base calculations in Part 2 of ■ FEES 7B Annex 1R; and
 - (b) the valuation date requirements in Part 3 of ■ FEES 7B Annex 1R;
- (2) the amount payable in (1) is the amount payable by the *firm* with respect to that activity group.

7B.2.4 **R** For the purposes of ■ FEES 7B.2.3R:

- (1) a *firm* may apply the relevant tariff bases and rates to its non-UK business, as well as to its UK business, if:
 - (a) it has reasonable grounds for believing that the costs of identifying the *firm's* UK business separately from its non-UK business in the way described in Part 2 of ■ FEES 7B Annex 1R are disproportionate to the difference in fees payable; and
 - (b) it notifies the FCA in writing at the same time as it provides the information concerned under ■ FEES 4.4 (Information on which fees are calculated), or, if earlier, at the time it pays the fees concerned;
- (2) for a *firm* which has not complied with ■ FEES 4.4.2R (information on which fees are calculated) or ■ FEES 4.4.8D (Information relating to payment services and the issuance of electronic money) for this period, the DA levy is calculated using (where relevant) the valuation or valuations of business applicable to the previous period, multiplied by the factor of 1.10.

FEES 4 rules incorporated into FEES 7B by cross-reference.....

7B.2.5 **G** The FCA Handbook provisions relating to the DA levy are meant to follow closely the provisions relating to the payment of periodic fees under ■ FEES 4.3.1R. In the interests of brevity, not all of these provisions are set out again in ■ FEES 7B. In some cases, certain ■ FEES 4 rules are applied to the payment of the DA levy by individual rules in ■ FEES 7B. The rest are set out in the table in ■ FEES 7B.2.7R.

7B.2.6 **R** The *rules* set out in the table in **■ FEES 7B.2.7R**, and any other *rules* in **■ FEES 4** included in **■ FEES 7B** by cross-reference, apply to the *DA levy* in the same way as they apply to periodic fees payable under **■ FEES 4.3.1R**.

7B.2.7 **R** Table of rules in **■ FEES 4** that also apply to **■ FEES 7B** to the extent that in **■ FEES 4** they apply to fees payable to the *FCA*

FEES 4 rules incorporated into FEES 7B	Description
FEES 4.2.7ER	Modifications for persons becoming subject to periodic fees during the course of a <i>fee year</i>
FEES 4.2.7FR	Calculating the fee in the <i>firm's</i> first year of <i>authorisation</i>
FEES 4.2.7GR	Calculating fees in the second fee year where the <i>firm</i> received <i>permission</i> between 1 January and 31 March in its first fee year
FEES 4.2.7HR to FEES 4.2.7KR	Calculating all other fees in the second and subsequent years of <i>authorisation</i> where a full year of tariff data is not available
FEES 4.2.10R	Extension of time
FEES 4.2.11R (first entry only)	Due date and changes in <i>permission</i> for periodic fees
FEES 4.3.7R	Groups of <i>firms</i>
FEES 4.3.13R	<i>Firms</i> applying to cancel or vary <i>permission</i> before start of period
FEES 4.3.17R	<i>Firms</i> acquiring businesses from other <i>firms</i>
FEES 4.4.1R to FEES 4.4.6AR	Information on which fees are calculated

7B.2.8 **D** **■ FEES 4.4.7D** to **■ FEES 4.4.9D** (Information relating to payment services and the issuance of electronic money) also apply to **■ FEES 7B**.

7B.2.9 **G** References in a **■ FEES 4 rule** incorporated into **■ FEES 7B** by cross-reference to a periodic fee should be read as being to the *DA levy*. References in a **■ FEES 4 rule** incorporated into **■ FEES 7B** to *market operators, service companies, MTF operators, investment exchanges, or designated professional bodies* should be disregarded.

7B.2.10 **G** In some cases, a **■ FEES 4 rule** incorporated into **■ FEES 7B** in the manner set out in **■ FEES 7B.2.5G** will refer to another *rule* in **■ FEES 4** that has not been individually incorporated into **■ FEES 7B**. Such a reference should be read as being to the corresponding provision in **■ FEES 7B**. The main examples are set out in **■ FEES 7B.2.11G**.

7B.2.11 **G** Table of **■ FEES 4 rules** that correspond to **■ FEES 7B rules**

FEES 4 rules	Corresponding FEES 7B rules
FEES 4.2.1R	FEES 7B.2.1R

FEES 4 rules	Corresponding FEES 7B rules
FEES 4.3.1R	FEES 7B.2.2R
FEES 4.3.3R	FEES 7B.2.2R
FEES 4.3.3AR	FEES 7B.2.2R

7B

7B

DA levy for the period from 1 April 2023 to 31 March 2024

Part 1

This table shows how the *FCA* links the *regulated activities* for which a *firm* has permission to activity groups (fee-blocks). A *firm* can use the table to identify which fee-blocks it falls into based on its *permission* for the purposes of the *DA levy* applicable to each activity group (fee-block).

Activity group	DA levy payer falls in the activity group if:
A.2 Home finance providers and administrators	It falls under activity group A.2 as defined in Part 1 of FEES 4 Annex 1AR.
CC.3 Consumer credit lending	<p>Its <i>permission</i> is in relation to the following regulated activities:</p> <ul style="list-style-type: none"> -entering into a regulated credit agreement as lender (article 60B(1) of the <i>Regulated Activities Order</i>); -exercising, or having the right to exercise, the lender's rights and duties under a regulated credit agreement (article 60B(2) of the <i>Regulated Activities Order</i>); <p>which is carried on by way of business and relates to the following specified investments:</p> <ul style="list-style-type: none"> (a) a regulated credit agreement (excluding <i>high-cost short-term credit</i>, a <i>home credit loan agreement</i> and a <i>bill of sale loan agreement</i>); (b) <i>high-cost short-term credit</i>; (c) a <i>home credit loan agreement</i>; (d) a <i>bill of sale loan agreement</i>.

Part 2

This table indicates the tariff base for each fee-block set out in Part 1. The tariff base in this Part is the means by which the *FCA* measures the amount of business conducted by a *firm* for the purposes of calculating the *DA levy* payable to the *FCA* by that *firm*.

Activity group	Tariff base
A.2 Home finance providers and administrators	The sterling value of any residential loans to individuals being the sum of gross unsecured and securitised balances (applying the definitions of 'unsecured balances' and 'securitised balances' set out in Section A: Balance Sheet of SUP 16 Annex 19BG.)
CC.3 Consumer credit lending	<p>Value of lending in column A of <i>data item</i> CCR003 reported by <i>firms</i> under SUP 16 Annex 38AR, being the sum of <i>data elements</i> entered in rows:</p> <ul style="list-style-type: none"> - 1 Debt purchasing; - 2 Hire purchase/conditional sale agreements; - 3 Home credit loan agreements; - 4 Bill of sale loan agreements; - 5 Pawnbroking; - 6 High-cost short-term credit;

- 11 Overdrafts;
- 12 Other running-account credit; and
- 8 Other lending.

Note: The tariff base for *authorised professional firms* that do not submit *data item* CCR003 under SUP 16 Annex 38AR is the same as set out above and should be reported to the FCA as required by FEES 4.4.1R and FEES 4.4.2R. The valuation date is in accordance with the CC.3 valuation date in Part 3.

Part 3

This table indicates the valuation date for each fee-block. A *firm* can calculate its tariff data in respect of the *DA levy* payable to the FCA by that *firm*.

Activity group	Valuation date
A.2 Home finance providers and administrators	The 31 December before the start of the period to which the fee applies or, if earlier, the date of the valuation as disclosed by the annual return made in the calendar year prior to the 31 December.
CC.3 Consumer credit lending	Value of lending under Part 2 valued at the <i>firm's accounting reference date</i> in the calendar year ending 31 December occurring before the start of the period to which the <i>DA levy</i> applies.

Part 4

This table shows the tariff rates applicable to each of the fee-blocks set out in Part 1.

Activity group	DA levy payable	
A.2 Home finance providers and administrators	Band width (£million of secured debt)	Fee (£/£m or part £m of secured debt) 3.75
	>0	
CC.3 Consumer credit lending	Band width (£million of value of lending)	Fee (£/£m or part £m of value of lending) 23.96
	>0 (Note 1)	

Note:
Credit unions and *community finance organisations* do not pay any *DA levy* on the first £2,000,000 of value of lending.

Chapter 7C

Temporary Permissions Regime (TPR) and Financial Service Contracts Regime (FSCR) - Single Financial Guidance Body levy



7C.1 Application and purpose

Application

7C.1.1

R

This chapter applies to the *persons* listed in:

- (1) ■ FEES 1.1.2R(8) in relation to the *TPR SFGB money advice levy* and *TPR SFGB debt advice levy*; and
- (2) ■ FEES 7C.1.2R in relation to the *TPR SFGB pensions guidance levy*.

7C.1.2

R

The *TPR SFGB pensions guidance levy* applies to a *TP firm* that falls within one or more of the following activity groups listed in Part 1 of ■ FEES 4 Annex 1AR:

- (1) A.1 Deposit acceptors;
- (2) A.4 Insurers - life;
- (3) A.7 Portfolio managers except Class (1)A firms;
- (4) A.9 Managers and depositaries of investment funds, and operators of collective investment schemes or pension schemes; and
- (5) A.13 Advisors, arrangers, dealers or brokers.

Purpose

7C.1.3

G

The purpose of this chapter is to set out the requirements on the *persons* listed in FEES CB.1.1R to fund the Secretary of State costs relating to the *SFGB*, and the related *FCA* collection costs. For the avoidance of doubt, such *persons* also include *supervised run-off firms*.

Background

7C.1.4

G

Under section 137SA(1) (Rules to recover expenses relating to the single financial guidance body) of the *Act*, the Secretary of State may, from time to time, notify the *FCA* of the expenses incurred, or expected to be incurred, in connection with the operation of the *SFGB* or under section 11 of the *Financial Guidance and Claims Act 2018*. Expenses arise under section 11 when the Secretary of State:

- (1) pays grants or makes loans, or gives any other form of financial assistance, to meet expenditure in connection with the establishment of the *SFGB*; and

- (2) pays grants or makes loans, or gives any other form of financial assistance, to the *SFGB* for the purpose of enabling the *SFGB* to carry out its functions.

7C.1.5 **G** When the Secretary of State has notified the *FCA* under section 137SA(1), under subsections (2) and (3) the *FCA* must make rules requiring *authorised persons, electronic money issuers or payment service providers* (or any specified class of the same) to pay specified sums, or sums calculated in a specified way to the *FCA* with a view to recovering:

- (1) the amount notified by the Secretary of State; and
- (2) expenses incurred by the *FCA* in connection with its functions under section 137SA of the *Act*.

Regulations 28 and 34 of the *EU Exit Passport Regulations* provide that *supervised run-off firms* are treated as having *Part 4A permission* or a variation to that *permission*.

7C.1.6 **G** This chapter contains the *rules* referred to in ■ FEES 7C.1.4G(2).

7C.1.7 **G** Under section 137SA(8) of the *Act*, the *FCA* must pay to the Secretary of State the amounts that it receives pursuant to the *rules* in this chapter, apart from amounts covering its collection costs (which the *FCA* may keep).

7C.1.8 **G** The total amount raised by the *TPR SFGB levy* may vary from year to year depending on the amount notified to the *FCA* by the Secretary of State.

7C.2 The TPR SFGB levy

7C.2.1 **R** The *TPR SFGB levy* is made up of:

- (1) The *TPR SFGB money advice levy*, as set out in ■ FEES 7C.3;
- (2) The *TPR SFGB debt advice levy*, as set out in ■ FEES 7C.3; and
- (3) The *TPR SFGB pensions guidance levy*, as set out in ■ FEES 7C.4.

7C.2.2 **G** Schedule 6A to the *Act* sets out a procedure to enable the *FCA* to cancel or vary the *Part 4A permission* of a *person* who it appears to the *FCA* is not carrying on a *regulated activity*. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of *Part 4A permission* in specified circumstances. Where the *FCA* grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of *Part 4A permission* is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, any part of the *TPR SFGB levy* applicable to the *person*, in relation to the period during which the *person's Part 4A permission* was cancelled or varied, applies to the *person*.



7C.3 The TPR SFGB money advice levy and debt advice levy

Obligation to pay TPR SFGB money advice levy or debt advice levy

- 7C.3.1** **R** A firm must pay the TPR SFGB money advice levy or TPR SFGB debt advice levy applicable to it:
- (1) in full and without deduction by 1 August (or, if later, within 30 days of the date of the invoice) in the *financial year* to which the sum relates, unless modified by ■ FEES 7C.3.2R; and
 - (2) in accordance with the *rules* in this chapter.
- 7C.3.2** **R** If a firm's TPR SFGB money advice levy or TPR SFGB debt advice levy for the previous *financial year* was at least £50,000, the firm must pay:
- (1) an amount equal to 50% of the TPR SFGB money advice levy or TPR SFGB debt advice levy payable for the previous year, by 1 April (or if later, within 30 days of the date of the invoice) in the *financial year* to which the sum due under ■ FEES 7C.3.1R relates; and
 - (2) the balance of the TPR SFGB money advice levy or TPR SFGB debt advice levy due for the current *financial year* by 1 September (or if later, within 30 days of the date of the invoice) in the *financial year* to which that sum relates.
- 7C.3.2A** **R** Where the FCA grants a person's application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the Act and the person falls within ■ FEES 7C.3.1R and the annulment takes effect after 1 August or after the invoice referred to in ■ FEES 7C.3.1R(1), then the date for payment referred to in ■ FEES 7C.3.1R(1) does not apply, but the person must pay the TPR SFGB money advice levy or TPR SFGB debt advice levy applicable to it in full and without deduction, on the date on which the annulment takes effect.
- 7C.3.2B** **R** Where the FCA grants a person's application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the Act and the person falls within ■ FEES 7C.3.2R and:
- (1) the annulment takes effect after 1 April or after the invoice referred to in ■ FEES 7C.3.2R(1) has been issued, then the date for payment referred to in ■ FEES 7C.3.2R(1) does not apply, but the person must,

where the annulment takes effect after 1 April but before 1 September, pay:

- (a) an amount equal to 50% of the *TPR SFGB money advice levy* or *TPR debt advice levy* payable for the previous year on the date on which the annulment takes effect; and
 - (b) the balance of the *TPR SFGB money advice levy* or *TPR debt advice levy* due for the current financial year by 1 September or, if later, within 30 days of the date of the invoice, in the *financial year* to which that sum relates; or
- (2) the annulment takes effect after 1 September or after the invoice referred to in ■ FEES 7C.3.2(2) has been issued, then the date for payment referred to in ■ FEES 7C.3.2R(2) does not apply, but the *person* must pay the total *TPR SFGB money advice levy* or *TPR debt advice levy* due for the current *financial year*, on the date on which the annulment takes effect.

Calculation of the TPR SFGB money advice levy and debt advice levy

7C.3.3

R

The *TPR SFGB money advice levy* and *TPR SFGB debt advice levy* are each calculated as follows:

- (1) identify each of the activity groups set out in Parts 1 to 3 of ■ FEES 7C Annex 1R and Part 1 of ■ FEES 7C Annex 2R that apply to the business of the *firm* for the relevant period (for this purpose, the activity groups under ■ FEES 7C Annex 1R are defined in accordance with Part 1 of ■ FEES 4 Annex 1AR and Parts 2 and 2A of ■ FEES 4 Annex 11R, and the activity groups under ■ FEES 7C Annex 2R are defined in accordance with Part 1 of that Annex);
- (2) calculate, for each of those activity groups identified in (1), the amount payable in the way set out in ■ FEES 7C.3.4R;
- (3) add each of the amounts calculated under (2);
- (4) work out whether a minimum fee is payable under Parts 2 to 4 of ■ FEES 7C Annex 1R and if so how much; and
- (5) add together the amounts calculated under (3) and (4).

7C.3.4

R

The amount payable by a *firm* with respect to a particular activity group is calculated as follows:

- (1) calculate the size of the *firm's* tariff base for that activity group using:
 - (a) the tariff base calculations in Part 3 of ■ FEES 4 Annex 1AR, Part 3 of ■ FEES 4 Annex 11R and Part 2 of ■ FEES 7C Annex 2R (including only business undertaken from a *branch* in the *UK*); and
 - (b) the valuation date requirements in Part 5 of ■ FEES 4 Annex 1AR, Part 4 of ■ FEES 4 Annex 11R and Part 3 of ■ FEES 7C Annex 2R;
- (2) use the figure in (1) to calculate which of the bands set out in the tables in Parts 1 to 3 of ■ FEES 7C Annex 1R and Part 4 of ■ FEES 7C Annex 2R the *firm* falls into;

- (3) add together the fixed sums, as set out in the tables in Parts 1 to 3 of ■ FEES 7C Annex 1R and Part 4 of ■ FEES 7C Annex 2R, applicable to each band identified under (2);
- (4) the amount in (3) is the amount payable by the *firm* with respect to that activity group.

7C.3.5 **R** For the purposes of ■ FEES 7C.3.4R:

- (1) a *firm* may apply the relevant tariff bases and rates to its non-UK business, as well as to its UK business, if:
 - (a) it has reasonable grounds for believing that the costs of identifying its UK business separately from its non-UK business in the way described in Part 3 of ■ FEES 4 Annex 1AR, Part 3 of ■ FEES 4 Annex 11R and Part 2 of ■ FEES 7C Annex 2R are disproportionate to the difference in fees payable; and
 - (b) it notifies the FCA in writing at the same time as it provides the information concerned under ■ FEES 7C.3.4R(1), or, if earlier, at the time it pays the TPR SFGB money advice levy or TPR SFGB debt advice levy applicable to it.
- (2) for a *firm* which has not complied with ■ FEES 4A.2.6R for this period, the TPR SFGB money advice levy and TPR SFGB debt advice levy are calculated using (where relevant) the valuation or valuations of business applicable to the previous period, multiplied by the factor of 1.10.

TPR SFGB money advice levy and TPR SFGB debt advice levy commencement

7C.3.6 **R** The TPR SFGB money advice levy and TPR SFGB debt advice levy under ■ FEES 7C relate to the whole of any fee year and are due for payment from the commencement of the fee year. Any payment made under ■ FEES 7C.3.1R is not refundable.



7C.4 The TPR SFGB pensions guidance advice levy

Obligation to pay TPR SFGB pensions guidance levy

- 7C.4.1** **R** A firm must pay the *TPR SFGB pensions guidance levy* applicable to it:
- (1) in full and without deduction by 1 August (or, if later, within 30 days of the date of the invoice) in the *financial year* to which the sum relates; and
 - (2) in accordance with the *rules* in this section.

- 7C.4.1A** **R** Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and the *person* falls within **■ FEES 7C.4.1R** and the annulment takes effect after 1 August or after the invoice referred to in **■ FEES 7C.4.1R(1)**, then the date for payment referred to in **■ FEES 7C.4.1R(1)** does not apply, but the *person* must pay the *TPR SFGB pensions guidance levy* applicable to it in full and without deduction, on the date on which the annulment takes effect.

Calculation of TPR SFGB pensions guidance levy

- 7C.4.2** **R** The *TPR SFGB pensions guidance levy* applicable to a particular *firm* is calculated as follows:
- (1) identify each of the activity groups in **■ FEES 7C.1.2R(2)** that apply to the business of the *firm* for the relevant period;
 - (2) calculate the amount payable under **■ FEES 7C.4.3R** for each of those activity groups;
 - (3) add together each of the amounts calculated under (2).
- 7C.4.3** **R** The amount payable for a particular activity group is calculated as follows:
- (1) (a) calculate the size of the *firm's* tariff base for the activity group using:
 - (i) the tariff base calculations in Part 3 of **■ FEES 4 Annex 1R** (including only business undertaken from a *branch* in the *UK*); and
 - (ii) the valuation date requirements in Part 5 of **■ FEES 4 Annex 1AR**;

- (b) exclude best estimate liabilities for fees purposes in the calculation for fee-block A4;
- (2) use the figure in (1) to calculate the levy applicable for each band in ■ FEES 7C Annex 3R;
- (3) add together the sums for each applicable band under (2);
- (4) the amount in (3) is the amount payable by the *firm* for that activity group.

7C.4.4 **R** For the purposes of ■ FEES 7C.4.3R:

- (1) a *firm* may apply the relevant tariff bases and rates to its non-UK business, as well as to its UK business, if:
 - (a) it has reasonable grounds for believing that the costs of identifying its UK business separately from its non-UK business in the way described in Part 3 of ■ FEES 4 Annex 1AR are disproportionate to the difference in fees payable; and
 - (b) it notifies the FCA in writing at the same time as it provides the information concerned under ■ FEES 7C.4.4R(1), or, if earlier, at the time it pays the *TPR SFGB pensions guidance levy* applicable to it.
- (2) for a *firm* which has not complied with ■ FEES 7C.4.3R(1) for this period, the *TPR SFGB pensions guidance levy* is calculated using (where relevant) the valuation or valuations of business applicable to the previous period, multiplied by the factor of 1.10.

7C.4.5 **R** The *TPR SFGB pensions guidance levy* is calculated using the same information that is used to calculate a *firm's* periodic fee under ■ FEES 4.

TPR SFGB pensions guidance levy commencement.....

7C.4.6 **R** The *TPR SFGB pensions guidance levy* under ■ FEES 7C relates to the whole of any fee year and is due for payment from the commencement of the fee year. Any payment made under ■ FEES 7C.4.1R is not refundable.



7C.5 FEES 4 rules incorporated into FEES 7C by cross-reference

7C.5.1 **R** The *Handbook* provisions relating to **FEES 7C** are meant to follow closely the provisions relating to the payment of the periodic fees in **FEES 4**. In the interests of brevity, not all of these provisions are set out again in **FEES 7C**. In some cases, certain **FEES 4 rules** are applied to the payment of the *TPR SFGB money advice levy*, *TPR SFGB debt advice levy* and *TPR SFGB pensions guidance levy* by individual rules in **FEES 7C**. The rest are set out in the table in **FEES 7C.5.3R**.

7C.5.2 **R** The *rules* set out in the table in **FEES 7C.5.3R** and any other *rules* in **FEES 4** included in **FEES 7C** by cross-reference apply to the *TPR SFGB money advice levy*, *TPR SFGB debt advice levy* and *TPR SFGB pensions guidance levy* in the same way as they apply to periodic fees payable under **FEES 4**.

7C.5.3 **R** Table of rules in **FEES 4** that also apply to **FEES 7C** to the extent that in **FEES 4** they apply to fees payable to the *FCA*

FEES 4 rules incorporated into FEES 7C	Description
FEES 4.2.10R	Extension of time
FEES 4.3.7R	Groups of firms
FEES 4.3.17R	Firms acquiring businesses from other firms

TPR SFGB money advice levy for the period from 1 April 2023 to 31 March 2024

This table shows the *TPR SFGB money advice levy* applicable to each activity group (fee-block).

Activity group	TPR SFGB money advice levy payable	
Part 1 TP firms		
A.1	Band Width (£ million of Modified Eligible Liabilities (MELs))	Fee (£/£m or part £m of MELs)
	>10	0.897
A.2	Band Width (no. of mortgages and/or home finance transactions)	Fee (£/mortgage)
	>50	0.446
A.3	Gross written premium for fees purposes (GWP)	
	Band Width (£ million of GWP)	Fee (£/£m or part £m of GWP)
	>0.5	17.48
	PLUS	
	Best estimate liabilities for fees purposes (BEL)	
	Band Width (£ million of BEL)	Fee (£/£m or part £m of BEL)
	>1	1.15
A.4	Gross written premium for fees purposes (GWP)	
	Band Width (£ million of GWP)	Fee (£/£m or part £m of GWP)
	>1	11.64
	PLUS	
	Best estimate liabilities for fees purposes (BEL)	
	Band Width (£ million of BEL)	Fee (£/£m or part £m of BEL)
	>1	0.775
A.7	For class 1(C), (2), (3) and (4) firms:	
	Band Width (£ million of Funds under Management (FuM))	Fee (£/£m or part £m of FuM)
	>10	0.084
	Class 1(A), (B) and (C) firms are defined in FEES 4 Annex 1AR.	
A.9	Band Width (£ million of Gross Income (GI))	Fee (£/£m or part £m of GI)
	>1	81.04
A.10	Band Width (no. of traders)	Fee (£/trader)
	>1	128.36

Activity group	TPR SFGB money advice levy payable	
A.13	For class (2) firms Band Width (£ thousands of annual income (AI)) >100	Fee (£/£ thousand or part £ thousand of AI) 0.0482
	For a <i>professional firm</i> in A.13 the fee is calculated as above less 10%.	
A.14	Band Width (£ thousands of annual income (AI)) >100	Fee (£/£ thousand or part £ thousand of AI) 0.0174
A.18	Band Width (£ thousands of Annual Income (AI)) >100	Fee (£/£ thousand or part £ thousand of AI) 0.116
A.19	Band Width (£ thousands of Annual Income (AI)) >100	Fee (£/£ thousand or part £ thousand of AI) 0.0196
CC.2	Minimum fee (£) £ thousands of annual income (AI) >250	10 Fee (£/£ thousand or part £ thousand of AI) 0.0872
Part 2 TA PI firms and TA RAISP firms		
G.3	Minimum fee (£) £ thousands or part £ thousand of Relevant Income >100	10 Fee (£/£thousand or part £ thousand of Relevant Income) 0.0209
Part 3 TA EMI firms		
G.10	Minimum fee (£) £ million or part £m of average outstanding electronic money (AOEM) >5.0	10 Fee (£/£m or part £m of AOEM) 1.630
Part 4		
(1) This Part sets out the minimum <i>TPR SFGB money advice levy</i> applicable to the <i>TPR firms</i> specified in (3) below.		
(2) The minimum <i>TPR SFGB money advice levy</i> payable by any <i>firm</i> referred to in (3) is £10.		
(3) A <i>TP firm</i> is referred to in this paragraph if it falls within the following activity groups: A.1; A.2; A.3; A.4; A.7; A.9; A.10; A.13; A.14; A.18; and A.19.		

TPR SFGB debt advice levy for the period from 1 April 2023 to 31 March 2024

This table shows the *TPR SFGB debt advice levy* applicable to each activity group (fee-block).

Part 1

Activity group	A TP firm falls in the activity group if:
A.2 Home finance providers and administrators	It falls under activity group A.2 as defined in Part 1 of FEES 4 Annex 1AR.
CC.3 Consumer credit lending	<p>Its permission is in relation to the following regulated activities:</p> <ul style="list-style-type: none"> - entering into a regulated credit agreement as lender (article 60B(1) of the Regulated Activities Order); - exercising, or having the right to exercise, the lender's rights and duties under a regulated credit agreement (article 60B(2) of the Regulated Activities Order); <p>which is carried on by way of business and relates to the following specified investments:</p> <ul style="list-style-type: none"> (a) a regulated credit agreement (excluding high-cost short-term credit, a home credit loan agreement and a bill of sale loan agreement); (b) high-cost short-term credit; (c) a home credit loan agreement; (d) a bill of sale loan agreement.

Part 2

Activity group	Tariff base
A.2 Home finance providers and administrators	The sterling value of any residential loans to individuals being the sum of gross unsecuritised and securitised balances (applying the definitions of Unsecuritised balances and Securitised balances set out in Section A: Balance Sheet of SUP 16 Annex 19BG.)
CC.3 Consumer credit lending	<p>Value of lending in column A of data item CCR003 reported by firms under SUP 16 Annex 38AR, being the sum of data elements entered in rows:</p> <ul style="list-style-type: none"> - 1 Debt purchasing; - 2 Hire purchase/conditional sale agreements; - 3 Home credit loan agreements; - 4 Bill of sale loan agreements; - 5 Pawnbroking;

Activity group	Tariff base
	<ul style="list-style-type: none"> - 6 High-cost short-term credit; - 11 Overdrafts; - 12 Other running-account credit; and - 8 Other lending.

Part 3

This table indicates the valuation date for each fee-block. A *firm* can calculate its tariff data in respect of the *TPR SFGB debt advice levy* payable to the *FCA* by that *firm*.

Activity group	Valuation date
A.2 Home finance providers and administrators	The 31 December before the start of the period to which the fee applies or, if earlier, the date of the valuation as disclosed by the annual return made in the calendar year prior to the 31 December.
CC.3 Consumer credit lending	Value of lending under Part 2 valued at the <i>firm's</i> accounting reference date in the calendar year ending 31 December occurring before the start of the period to which the <i>TPR SFGB debt advice levy</i> applies.

Part 4

This table shows the tariff rates applicable to each of the fee-blocks set out in Part 1.

Activity group	TPR SFGB debt advice levy payable	
A.2 Home finance providers and administrators	Band width (£ million of secured debt)	Fee (£/£m or part £m of secured debt)
	>0	27.05
CC.3 Consumer credit lending	Band width (£ million of value of lending)	Fee (£/£m or part £m of value of lending)
	>0 (Note 1)	173.01
Note		
(1) Credit unions and community finance organisations do not pay any <i>TPR SFGB debt advice levy</i> on the first £2,000,000 of value of lending.		

TPR SFGB pensions guidance levy for the period 1 April 2023 to 31 March 2024

This table shows the *TPR SFGB pensions guidance levy* applicable to each activity group (fee-block).

Activity group	TPR SFGB pensions guidance levy payable	
<i>TP firms</i>		
A.1	Band width (£ million of modified eligible liabilities (MELs))	Fee (£/£m or part £m of MELs)
	>10	2.393
A.4	Gross written premium for fees purposes (GWP)	
	Band Width (£ million of GWP)	Fee (£/£m or part £m of GWP)
	>1	69.99
A.7	For class 1(B), 1(C), (2) and (3) firms:	
	Band width (£ million of funds under management (FuM))	Fee (£/£m or part £m of FuM)
	>10	0.833
A.9	Band width (£ million of gross income (GI))	Fee (£/£m or part £m of GI)
	>1	433.81
A.13	Band width (£ thousands of annual income (AI))	Fee (£/£ thousand or part of £ thousand of AI)
	>100	0.1226

Chapter 7D

Temporary Permissions Regime (TPR) – Devolved Authorities levy



7D.1 Application and purpose

Application

7D.1.1 **R** This chapter applies to every *person* listed in ■ FEES 1.1.2R(8).

Purpose

7D.1.2 **G** The purpose of this chapter is to set out the requirements on the *persons* listed in ■ FEES 7D.1.1R to fund the Treasury’s costs relating to the provision of debt advice by the *Devolved Authorities*, and the related *FCA* collection costs. For the avoidance of doubt, such *persons* also include *supervised run-off firms*.

Background

7D.1.3 **G** The Treasury’s debt advice costs are defined in subsection 1 of section 137SB (Rules to recover debt advice expenses incurred by the devolved authorities) of the *Act* as the expenses incurred, or expected to be incurred, by the *Devolved Authorities* in connection with the provision of information and advice on debt to members of the public in Scotland, Wales and Northern Ireland.

- 7D.1.4** **G**
- (1) Section 137SB(1) of the *Act* requires the Treasury to notify the *FCA* of the amount of the debt advice costs.
 - (2) Section 137SB(2 and 3) of the *Act* requires the *FCA* to make rules requiring *authorised persons, electronic money issuers or payment service providers* to pay specified sums, or sums calculated in a specified way to the *FCA* with a view to recovering:
 - (a) the amount notified by the Treasury; and
 - (b) expenses incurred by the *FCA* in connection with its functions under section 137SB of the *Act*.

Regulations 28 and 34 of the EEA Passport Rights (Amendment, etc., and Transitional Provisions) (EU Exit) Regulations 2018 provide that *supervised run-off firms* are treated as having *Part 4A permission* or a *variation* to the *permission*.

7D.1.5 **G** This chapter contains the *rules* referred to in ■ FEES 7D.1.4G(2).

- 7D.1.6** **G** Under section 137SB(8) of the *Act*, the *FCA* must pay to the Treasury the amounts that it receives under these *rules*, apart from amounts covering its collection costs (which it may keep).
- 7D.1.7** **G** The total amount raised by the *TPR DA levy* may vary from year to year depending on the amount notified to the *FCA* by the Treasury.
- 7D.1.8** **G** These rules were made with the consent of the Treasury pursuant to section 137SB(5) of the *Act*.



7D.2 The TPR DA levy

Obligation to pay TPR DA levy

7D.2.1 **R** A *firm* must pay the *TPR DA levy* applicable to it:

- (1) in full and without deduction by 1 August (or, if later, within 30 days of the date of the invoice) in the *financial year* to which the sum relates; and
- (2) in accordance with the *rules* in this chapter.

7D.2.1A **G** Schedule 6A to the *Act* sets out a procedure to enable the *FCA* to cancel or vary the *Part 4A permission* of a *person* who it appears to the *FCA* is not carrying on a *regulated activity*. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of *Part 4A permission* in specified circumstances. Where the *FCA* grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of *Part 4A permission* is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, the *TPR DA levy* in relation to the period during which the *person's Part 4A permission* was cancelled or varied applies to the *person*.

7D.2.1B **R** Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and the *person* falls within **FEES 7D.2.1R** and the annulment takes effect after 1 August or after the invoice referred to in **FEES 7D.2.1R(1)** has been issued, then the date for payment referred to in **FEES 7D.2.1R(1)** does not apply, but the *person* must pay the *TPR DA levy* applicable to it in full and without deduction, on the date on which the annulment takes effect.

Calculation of TPR DA levy

7D.2.2 **R** The *TPR DA levy* is calculated as follows:

- (1) identify each of the activity groups set out in Part 1 of **FEES 7D Annex 1R** that apply to the business of the *firm* for the relevant period (for this purpose, the activity groups under **FEES 7D Annex 1R** are defined in that Annex or in accordance with Part 1 of **FEES 4 Annex 1AR**);
- (2) calculate, for each of those activity groups identified in (1), the amount payable in the way set out in **FEES 7D.2.3R**; and
- (3) add each of the amounts calculated under (2).

- 7D.2.3** **R** The amount payable by a *firm* with respect to a particular activity group is calculated as follows:
- (1) calculate the size of the *firm's* tariff base for that activity group using:
 - (a) the tariff base calculations in Part 2 of ■ FEES 7D Annex 1R (including only business undertaken from a *branch* in the *UK*); and
 - (b) the valuation date requirements in Part 3 of ■ FEES 7D Annex 1R;
 - (2) the amount payable in (1) is the amount payable by the *firm* with respect to that activity group.

- 7D.2.4** **R** For the purposes of ■ FEES 7D.2.3R:
- (1) a *firm* may apply the relevant tariff bases and rates to its non-*UK* business, as well as to its *UK* business, if:
 - (a) it has reasonable grounds for believing that the costs of identifying its *UK* business separately from its non-*UK* business in the way described in Part 2 of ■ FEES 7D Annex 1R are disproportionate to the difference in fees payable; and
 - (b) it notifies the *FCA* in writing at the same time as it provides the information concerned under ■ FEES 7D.2.3R(1), or, if earlier, at the time it pays the *TPR DA levy* applicable to it.
 - (2) for a *firm* which has not complied with ■ FEES 4A.2.6R for this period, the *TPR DA levy* is calculated using (where relevant) the valuation or valuations of business applicable to the previous period, multiplied by the factor of 1.10.

TPR DA levy commencement

- 7D.2.5** **R** The *TPR DA levy* under ■ FEES 7D relates to the whole of any *fee year* and is due for payment from the commencement of the *fee year*. Any payment made under ■ FEES 7D.2.1R is not refundable.

7D

7D



7D.3 FEES 4 rules incorporated into FEES 7D by cross-reference

7D.3.1 **R** The *FCA Handbook* provisions relating to **FEES 7D** are meant to follow closely the provisions relating to the payment of the periodic fees in **FEES 4**. In the interests of brevity, not all of these provisions are set out again in **FEES 7D**. In some cases, certain **FEES 4 rules** are applied to the payment of the *TPR DA levy* by individual *rules* in **FEES 7D**. The rest are set out in the table in **FEES 7D.3.3R**.

7D.3.2 **R** The *rules* set out in the table in **FEES 7D.3.3R** and any other *rules* in **FEES 4** included in **FEES 7D** by cross-reference apply to the *TPR DA levy* in the same way as they apply to periodic fees payable under **FEES 4**.

7D.3.3 **R** Table of rules in **FEES 4** that also apply to **FEES 7D** to the extent that in **FEES 4** they apply to fees payable to the *FCA*

FEES 4 rules incorporated into FEES 7D	Description
FEES 4.2.10R	Extension of time
FEES 4.3.7R	Groups of firms
FEES 4.3.17R	Firms acquiring businesses from other firms

TPR DA levy for the period from 1 April 2023 to 31 March 2024

This table shows the *TPR DA levy* applicable to each activity group (fee-block).

Part 1

Activity group	A TP firm falls in the activity group if:
A.2 Home finance providers and administrators	It falls under activity group A.2 as defined in Part 1 of FEES 4 Annex 1AR.
CC.3 Consumer credit lending	<p>Its permission is in relation to the following regulated activities:</p> <ul style="list-style-type: none"> - <i>entering into a regulated credit agreement as lender</i> (article 60B(1) of the <i>Regulated Activities Order</i>); - <i>exercising, or having the right to exercise, the lender's rights and duties under a regulated credit agreement</i> (article 60B(2) of the <i>Regulated Activities Order</i>); <p>which is carried on by way of business and relates to the following <i>specified investments</i>:</p> <ul style="list-style-type: none"> (a) a regulated credit agreement (excluding <i>high-cost short-term credit</i>, a <i>home credit loan agreement</i> and a <i>bill of sale loan agreement</i>); (b) <i>high-cost short-term credit</i>; (c) a <i>home credit loan agreement</i>; (d) a <i>bill of sale loan agreement</i>.

Part 2

Activity group	Tariff base
A.2 Home finance providers and administrators	The sterling value of any residential loans to individuals being the sum of gross unsecured and secured balances (applying the definitions of Unsecured balances and Secured balances set out in Section A: Balance Sheet of SUP 16 Annex 19BG.)
CC.3 Consumer credit lending	<p>Value of lending in column A of <i>data item CCR003</i> reported by <i>firms</i> under SUP 16 Annex 38AR, being the sum of <i>data elements</i> entered in rows:</p> <ul style="list-style-type: none"> - 1 Debt purchasing; - 2 Hire purchase/conditional sale agreements; - 3 Home credit loan agreements; - 4 Bill of sale loan agreements; - 5 Pawnbroking; - 6 High-cost short-term credit;

Activity group	Tariff base
	<ul style="list-style-type: none"> - 11 Overdrafts; - 12 Other running-account credit; and - 8 Other lending.

Part 3

This table indicates the valuation date for each fee-block. A *firm* can calculate its tariff data in respect of the *TPR DA levy* payable to the *FCA* by that *firm*.

Activity group	Valuation date
A.2 Home finance providers and administrators	The 31 December before the start of the period to which the fee applies or, if earlier, the date of the valuation as disclosed by the annual return made in the calendar year prior to the 31 December.
CC.3 Consumer credit lending	Value of lending under Part 2 valued at the <i>firm's accounting reference date</i> in the calendar year ending 31 December occurring before the start of the period to which the <i>TPR DA levy</i> applies.

Part 4

This table shows the tariff rates applicable to each of the fee-blocks set out in Part 1.

Activity group	TPR DA levy payable	
A.2 Home finance providers and administrators	Band width (£ million of secured debt)	Fee (£/£m or part £m of secured debt)
	>0	3.75
CC.3 Consumer credit lending	Band width (£ million of value of lending)	Fee (£/£m or part £m of value of lending)
	>0 (Note 1)	23.96
Note		
(1) <i>Credit unions</i> and <i>community finance organisations</i> do not pay any <i>TPR DA levy</i> payable on the first £2,000,000 of value of lending.		

Chapter 8

[deleted]



8.1 [deleted]

[deleted]

Chapter 9

Payment Systems Regulator funding

9.1 Application and purpose

Application

9.1.1

R

This chapter applies to:

- (1) operators of regulated payment systems;
- (2) operators of IFR card payment systems;
- (2A) operators of payment systems under the *Payment Services Regulations*; and
- (3) direct payment service providers.

Purpose

9.1.2

G

This chapter sets out how the fees payable by *PSR fee payers* and other participants will be calculated, to establish and fund the *PSR*.

Introduction

9.1.3

G

Section 40(1) of *FSBRA* (The Payment Systems Regulator) requires the *FCA* to establish the *PSR*.

9.1.4

G

- (1) Paragraph 9 of Schedule 4 of *FSBRA* and the *2015 Interchange Regulations* applying *FSBRA* in a modified form and the *Payment Services Regulations* applying *FSBRA* in a modified form allow the *FCA* to make rules requiring participants in regulated payment systems and *IFR card payment systems* to pay the *FCA* specified amounts or amounts calculated in a specified way to:
 - (a) meet the relevant costs referred to in (2) below; and
 - (b) enable the *PSR* to maintain adequate reserves.
- (1A) [deleted]
- (2) The relevant costs in (1)(a) means:
 - (a) the expenses incurred, or expected to be incurred, by the *PSR* in connection with the discharge of its functions;
 - (b) the expenses incurred by the *FCA* in establishing the *PSR*;
 - (c) any other expenses incurred by the *FCA* in connection with the discharge of its functions under Part 5 of *FSBRA*; and
 - (d) any expenses incurred, or expected to be incurred, by the *FCA* in connection with the discharge of the *PSR's* functions by an officer

or member of staff of the *FCA* under arrangements made under paragraph 5 of Schedule 4 of *FSBRA*.

- (3) The amounts in (1) may include the expenses of the *FCA* in collecting *PSR fees*.

9.1.5 G ■ FEES 9 sets out the *rules* referred to in ■ FEES 9.1.4 G

9.1.6 G The *FCA* must pay to the *PSR* the amounts that it receives as *PSR fees*, apart from the following amounts (which it may keep):

- (1) expenses under ■ FEES 9.1.4G (2)(b) to ■ (d); and
- (2) collection costs, referred to in ■ FEES 9.1.4G (3).

Publication of fees information
.....

- 9.1.7** G
- (1) Paragraph 4(1) of Schedule 4 of *FSBRA* requires the *PSR* to adopt an annual budget which has been approved by the *FCA*.
 - (2) Paragraph 6(1) of Schedule 4 of *FSBRA* requires the *PSR* to prepare an annual plan which has been approved by the *FCA*.

- 9.1.8** G
- (1) *PSR fees* will vary from year to year, depending on the *PSR's AFR* and the *transaction volumes* and *transaction values* in the *relevant time period*.
 - (2) The *PSR* will publish each year the *PSR's AFR* along with the total *transaction volumes* and *transaction values* for the *relevant time period* to enable *PSR fee payers* to apply the methodology in ■ FEES 9 Annex 1R if they wish.
 - (3) [deleted]

9.2 PSR fees

Obligation to pay PSR fees

9.2.1

R

A *PSR fee payer* must pay to the *FCA* the *PSR fees* applicable to it and calculated by the *FCA* in accordance with ■ FEES 9 Annex 1 R:

- (1) in full and without deduction; and
- (2) in accordance with this chapter, subject to:
 - (a) ■ FEES 9.2.1AR;
 - (b) ■ FEES 9.2.1CR; and
 - (c) ■ FEES 9.2.1DR.

9.2.1A

R

- (1) A *PSR fee payer* is not required to pay any *PSR fee* in accordance with ■ FEES 9.2.1R where, in the opinion of the *FCA* and *PSR*, the costs of collection would be disproportionate to the amount payable.
- (2) If (1) applies in any given *fee year*, the *transaction volumes* and *transaction values* attributable to that *PSR fee payer* are not to be included in the sum of all *PSR fee payers'* relevant transactions set out in columns 4 and 5 of the table in ■ FEES 9 Annex 1R for that *fee year*.
- (3) [deleted]

9.2.1B

R

- (1) If a *payment service provider* (A) acquires all or part of the business of another *payment service provider* which includes *transaction volumes* (B), whether by merger, acquisition or transfer, during the course of a *fee year*, the liability for paying the *PSR fee* in the following *fee year* in relation to B shall rest with A.

(2) ■ FEES 9.2.1BR(1) also applies when the business acquired, transferred or merged is not a legal entity but is an unincorporated business, or is in the form of assets and/or contracts.

9.2.1C ■ An operator acting as a PSR fee payer must pay the entire PSR fee for the relevant card payment system or IFR card payment system for that fee year.

9.2.1D ■ Where ■ FEES 9.2.1CR applies, no other acquirers or card issuers are required to pay any PSR fee for that card payment system or IFR card payment system in accordance with ■ FEES 9.2.1R.

9.2.1E ■ [deleted]

9.2.1F ■ [deleted]

9.2.1G ■ [deleted]

Time of payment

9.2.2 ■ PSR fee payers falling within the scope of ■ FEES 4.3.6R(1C) – (1E) must pay to the FCA:

- (1) an amount equal to 50% of the PSR fee payable for the previous fee year, by 1 April in the current fee year or, if later, within 30 days of the date of the invoice; and
- (2) the balance of the PSR fee due by 1 September in the current fee year or, if later, within 30 days of the date of the invoice.

9.2.2A ■ [deleted]

9.2.2B ■ [deleted]

9.2.3 ■ If ■ FEES 9.2.2R does not apply, the PSR fee payer must pay its PSR fee in full to the FCA:

- (1) by 1 August in the current fee year; or
- (2) if later, within 30 days of the date of the invoice.

9.2.3A ■ [deleted]

9.2.3B ■ [deleted]

Method of payment

9.2.4 **G** A PSR fee payer should pay its fees to the FCA by direct debit, electronic credit transfer, cheque, Maestro, Visa Debit or by credit card (*Visa/MasterCard* only).

9.2.4A **R** [deleted]

9.2.4B **R** [deleted]

9.2.4C **R** [deleted]

Provision of information

9.2.4D **R** (1) The operator of a regulated payment system or IFR card payment system must provide to the FCA and PSR, for each of its direct payment service providers (and for itself, where it is an operator acting as an acquirer or card issuer):

(a) a copy of the data setting out the *transaction volumes* and *transaction values* required by the FCA to calculate the PSR fees as set out in ■ FEES 9 Annex 1R; and

(b) the following information (which is either in the operator's possession or to which it has reasonable access) to enable and/or assist the FCA to issue invoices to PSR fee payers and/or collect PSR fees:

(i) telephone and/or e-mail contact information (including named point of contact);

(ii) billing address;

(iii) FCA firm reference number (where applicable);

(iv) company name, registered address and company number; and

(v) any other information which in the opinion of the operator would assist the FCA in issuing invoices to the relevant PSR fee payers within the operator's regulated payment system or IFR card payment system.

(2) The operator of a regulated payment system or IFR card payment system must:

(a) provide the information in (1) to the PSR and FCA as soon as practicable, but no later than 1 March each year; and

(b) provide such other data to the FCA and PSR on request to enable the individual PSR fees to be verified.

(3) [deleted]

9.2.4E **G** [deleted]

9.2.4F **G** [deleted]

9.2.4G **G** The *FCA* will use the data provided by the relevant operators in **■ FEES 9.2.4DR** to calculate the *PSR fees*. Before being submitted to the *FCA*, if requested by a *PSR fee payer*, the *operator* should confirm with the relevant *PSR fee payer* the accuracy of the data it proposes to submit. In the event of a dispute raised by a *PSR fee payer* over the accuracy of the data provided to the *FCA*, the *FCA* will continue to use the data as originally provided. Any later dispute should be directed to the relevant operator of the *regulated payment system* or *IFR card payment system* responsible for the provision of the data to the *FCA*.

Ceasing to be designated as a regulated payment system, ceasing to be a direct payment system provider of a regulated payment system or IFR card payment system, and ceasing to be subject to the IFR

9.2.5 **G** The *FCA* will not relieve or refund a *PSR fee* if after the start of that *fee year*:

- (1) a *payment system* ceases to be a *regulated payment system*; or
- (2) an *IFR card payment system* ceases to be subject to the *IFR*; or
- (3) a *person* ceases to be a *direct payment service provider* of a *regulated payment system* or an *IFR card payment system*.

9.2.6 **R** If a *payment system* ceases to be a *regulated payment system*, or an *IFR card payment system* ceases to be subject to the *IFR*, all *direct payment service providers* of that system, and the *operator* of that *IFR card payment system*, must pay any outstanding *PSR fees* before the system ceases to hold that status.

9.2.6A **R** If a *person* ceases to be:

- (1) a *direct payment service provider* of a *regulated payment system* or of an *IFR card payment system*, it must pay any outstanding *PSR fees* in respect of that system, before it ceases to be a *direct payment system provider* of the system; or
- (2) the *operator* of a *IFR card payment system*, it must pay any outstanding *PSR fees* in respect of that system before it ceases to be the *operator* of that *IFR card payment system*.

Late payments

9.2.7 **R** If a *PSR fee payer* does not pay the total amount of its *PSR fees* before the end of the date on which it is due, it must pay to the *FCA*:

- (1) an administrative fee of £250; plus
- (2) interest on any unpaid part of the fee at an annual rate of 5% above the Official Bank Rate from time to time in force, accruing daily from the date on which the amount concerned became due.

- 9.2.7A **G**
- (1) The *FCA* may recover a *PSR fee* as a debt owed to it under paragraph 23 (8) of Schedule 1ZA of the Act.
 - (2) The *FCA* will consider taking action for the recovery (including interest) through the civil courts.
 - (3) In addition, the *FCA* or *PSR* may be entitled to take regulatory action in relation to the non-payment of *PSR fees*. What action, if any, that is taken by the *FCA* or *PSR* will be decided upon given the particular circumstances of the case.

Reduction, remission and repayment of fees.....

9.2.8 **G** The *FCA* may reduce or remit all or part of a *PSR fee*, if it appears to the *FCA*, having consulted the *PSR*, that in the exceptional circumstances of a particular case paying all or part of it would be inequitable.

9.2.9 **G** The *FCA* may refund all or part of a *PSR fee* if it appears to the *FCA*, having consulted the *PSR*, that in the exceptional circumstances of a particular case the *FCA* or the *PSR* retaining all or part of it would be inequitable.

9.2.10 **G** The *FCA* will not consider a claim to refund a *PSR fee* due to a mistake of fact or law by the *PSR fee payer* if the claim is made more than two years after the beginning of the *fee year* to which the fee relates.

VAT.....

9.2.11 **R** *PSR fees payable* are stated net of VAT. Where VAT is applicable this must also be included.

9.3 PSR Special Project Fee

- 9.3.1** **R** The PSR Special Project Fee (the PSPF) is only payable by *operators of regulated payment systems, operators of IFR card payment systems, and operators of payment systems* under the *Payment Services Regulation*.
- 9.3.2** **G** The purpose of this section is to enable the *PSR* to undertake and fund specific, time-limited projects which relate to one or more *persons* falling within **■ FEES 9.3.1R** in such a way as to promote the interests of *payment service users* as a whole.
- 9.3.3** **R** The PSPF becomes payable by a *person* falling within **■ FEES 9.3.1R** if:
- (1) The *PSR* is to undertake or is already undertaking work (the Project) in relation to or consequential upon the designation of a new *regulated payment system, new IFR card payment system, or new payment system* under the *Payment Services Regulations*.
 - (2) The *PSR* determines that:
 - (a) the costs for the Project should be met by means of the PSPF, on the basis of an assessment which includes (but is not limited to) the compatibility of the levying of a PSPF in relation to that Project with the regulatory principles applicable to the *PSR* under section 53 of *FSBRA*, and the degree of support which the levying of a PSPF would offer to the *PSR* in discharging its statutory duties; and
 - (b) it is appropriate to charge a PSPF for the Project to an *operator* of the new *regulated payment system, new IFR card payment system, or new payment system* under the *Payment Services Regulations*.
- 9.3.4** **R**
- (1) For each year in which a Project in connection with which the PSPF is payable is anticipated to be undertaken, the PSPF to be charged is calculated by estimating the total expenditure on the Project during that year, comprising the *PSR's* internal costs and any fees and disbursements the *PSR* reasonably assesses it will be invoiced.
 - (2) Where more than one *person* is to be charged a PSPF in relation to that Project, the determination undertaken by the *PSR* pursuant to **■ FEES 9.3.3R(2)** will include an assessment of the appropriate allocation of the PSPF between those *persons*.

- 9.3.5** **G** Where a *person* is charged a PSPF in a given year, the PSPF is payable in addition to, and not instead of or as part of, any *PSR fee* which is payable by that *person*.
- 9.3.6** **R** A *person* who is liable to pay a PSPF must pay it in full to the *FCA*:
- (1) by 1 September of the *fee year* in which the PSPF is invoiced; or
 - (2) if later, within 30 *days* of the date of the invoice.
- 9.3.7** **G** A *person* who is liable to pay a PSPF should pay it to the *FCA* by direct debit, electronic credit transfer, cheque, Maestro, Visa Debit or by credit card (*Visa / MasterCard* only) or by any other method of payment which the *FCA* permits from time to time.
- 9.3.8** **R** If a *person* who is liable to pay a PSPF does not pay it in full before the end of the date on which it is due, that *person* must pay to the *FCA*:
- (1) an administrative fee of £250; plus
 - (2) interest on any unpaid part of the fee at an annual rate of 5% above the Official Bank Rate from time to time in force, accruing daily from the date on which the amount concerned became due.
- 9.3.9** **G**
- (1) The *FCA* may recover a PSPF as a debt owed to it under paragraph 23(8) of Schedule 1ZA of the Act.
 - (2) The *FCA* will consider taking action for the recovery (including interest) through the civil courts.
 - (3) In addition, the *FCA* or *PSR* may be entitled to take regulatory action in relation to the non-payment of a PSPF. What action, if any, that is taken by the *FCA* or *PSR* will be decided upon given the particular circumstances of the case.
- 9.3.10** **R** Where the actual cost of the regulatory work undertaken by the *PSR* on a Project referred to in **FEES 9.3.3R** which is the subject of a PSPF differs in a given year from the total PSPF charged to one or more *persons* in relation to that Project for that year:
- (1) Where the actual cost exceeds the total PSPF charged in respect of that Project in that year, the additional cost (or, if more than one *person* was charged the PSPF in relation to that Project, a share of the additional cost proportionate to the share of the PSPF for that Project allocated pursuant to **FEES 9.3.4R(2)** to that *person*) will, in the following year:
 - (a) be added to the PSPF to be invoiced to the *person* or *persons*; or
 - (b) if the Project has come to an end, be invoiced as a PSPF to the *person* or *persons*.
 - (2) Where the actual cost is lower than the total PSPF charged in respect of that Project in that year, the difference (or, if more than one

person was charged the PSPF in relation to that Project, a share of the difference proportionate to the share of the PSPF for that Project allocated pursuant to ■ FEES 9.3.4R(2) to that *person*) will, in the following year:

- (a) be deducted from the PSPF invoiced to the *person* or *persons*; or
- (b) if the Project has come to an end, be refunded to the *person* or *persons*.

PSR fees methodology

The table below shows the methodology used by the *FCA* to determine the *PSR* fee applicable to *PSR* fee payers for each fee year.

Regulated payment system or IFR card payment system (column 1)	Relevant transactions (column 2)	Relevant time period (column 3)	Volume block ("Vo") (column 4)	Value block ("Va") (column 5)	Calculation methodology for PSR fee payable (column 6)
Bacs	All transactions processed through the <i>BACS regulated payment system</i> . Transactions include both the initiation of the transfer of the funds, and the receipt of transferred funds.	The full calendar year (1 January to 31 December) before the start of the relevant fee year. For example this would be 1 January to 31 December 2017 for the 2018/2019 fee year.	$Vo = (PSR's\ AFR \times 80\%) \times \text{the } PSR\ \text{fee payer's percentage share of the volume block}$ $\text{A } PSR\ \text{fee payer's percentage share of the volume block} = \left(\frac{\text{Sum of that } PSR\ \text{fee payer's relevant transaction volumes in all systems}}{\text{Sum of all } PSR\ \text{fee payers' relevant transaction volumes across all systems}^*} \right)$	$Va = (PSR's\ AFR \times 20\%) \times \text{the fee payer's percentage share of the value block}$ $\text{A } PSR\ \text{fee payer's percentage share of the value block} = \left(\frac{\text{Sum of that } PSR\ \text{fee payer's relevant transaction values in all systems}}{\text{Sum of all } PSR\ \text{fee payers' relevant transaction values across all systems}^{**}} \right)$	<p>Fees allocated to a PSR fee payer</p> <p>=</p> <p>its fees under the volume block (Vo) + its fees under the value block (Va)</p>
C&C	All transactions processed through the <i>C&C regulated payment system</i> . This includes 'in clearing' and 'out clearing' transactions in paper clearing, and the payment and the receipt of the transfers of funds in image clearing.				

Regulated payment system or IFR card payment system (column 1)	Relevant transactions (column 2)	Relevant time period (column 3)	Volume block ("Vo") (column 4)	Value block ("Va") (column 5)	Calculation methodology for PSR fee payable (column 6)
<i>CHAPS</i>	All MT103 and MT202 transactions processed through the <i>CHAPS regulated payment system</i> . Transactions include both the initiation of the transfer of the funds, and the receipt of transferred funds.				
<i>FPS</i>	All transactions processed through the <i>FPS regulated payment system</i> . Transactions include both the initiation of the transfer of funds, and the receipt of transferred funds.				

Regulated payment system or IFR card payment system (column 1)	Relevant transactions (column 2)	Relevant time period (column 3)	Volume block ("Vo") (column 4)	Value block ("Va") (column 5)	Calculation methodology for PSR fee payable (column 6)
<i>LINK</i>	All transactions issued and acquired under the <i>LINK regulated payment system</i> , including GBP cash withdrawals, foreign currency dispenses, balance enquiries, PIN management, charity donations, non-cash transactions and mobile payment transactions but excluding ' <i>on us</i> ' transactions. Both issuing and acquiring transactions are taken into account.				

Regulated payment system or IFR card payment system (column 1)	Relevant transactions (column 2)	Relevant time period (column 3)	Volume block ("Vo") (column 4)	Value block ("Va") (column 5)	Calculation methodology for PSR fee payable (column 6)
<i>Mastercard</i>	<p>All transactions by acquirers operating in the United Kingdom and transactions by card issuers operating in the United Kingdom under the Mastercard regulated payment system, including point of sale transactions, merchant sales volumes, and cash purchase transactions on cards, but excluding cash-only withdrawals. All Mastercard branded transactions are included irrespective of the processing entity (Mastercard itself, a third party processing entity or 'on us' transactions). Both issuing and acquiring transactions are taken into account.</p>				

Regulated payment system or IFR card payment system (column 1)	Relevant transactions (column 2)	Relevant time period (column 3)	Volume block ("Vo") (column 4)	Value block ("Va") (column 5)	Calculation methodology for PSR fee payable (column 6)
<i>NICC</i>	All transactions including 'in clearing' and 'out clearing' transactions for GBP, USD and EUR processed through the <i>NICC regulated payment system</i> .				

Regulated payment system or IFR card payment system (column 1)	Relevant transactions (column 2)	Relevant time period (column 3)	Volume block ("Vo") (column 4)	Value block ("Va") (column 5)	Calculation methodology for PSR fee payable (column 6)
<p><i>Visa</i></p>	<p>All transactions by acquirers operating in the United Kingdom and transactions by card issuers operating in the United Kingdom under the Visa regulated payment system, including point of sale transactions, merchant sales volumes, and cash purchase transactions on cards, but excluding cash-only withdrawals. All Visa branded transactions are included irrespective of the processing entity (Visa itself, a third party processing entity or 'on us' transactions). Both issuing and acquiring transactions are taken into account.</p>				

Regulated payment system or IFR card payment system (column 1)	Relevant transactions (column 2)	Relevant time period (column 3)	Volume block ("Vo") (column 4)	Value block ("Va") (column 5)	Calculation methodology for PSR fee payable (column 6)
AmEx Diners Club JCB UPI	All IFR transactions by acquirers operating in the United Kingdom and IFR transactions by card issuers operating in the United Kingdom (or by the operator of that IFR card payment system acting as such an acquirer or card issuer) under that IFR card payment system, including point of sale transactions, merchant sales volumes, and cash purchase transactions on cards, but excluding cash-only withdrawals. All transactions under the brand of that IFR card payment system are included in				

Regulated payment system or IFR card payment system (column 1)	Relevant transactions (column 2)	Relevant time period (column 3)	Volume block ("Vo") (column 4)	Value block ("Va") (column 5)	Calculation methodology for PSR fee payable (column 6)
	respective of the <i>processing entity</i> (the <i>operator</i> or the <i>IFR card payment system</i> itself, a third party <i>processing entity</i> or ' <i>on us</i> ' <i>transactions</i>). Both issuing and acquiring transactions are taken into account for each <i>IFR card payment system</i> .				
<p>Notes:</p> <p>* The PSR will publish this figure annually. The figure represents the sum of all PSR fee payers' relevant transaction volumes across all systems in the relevant time period.</p> <p>** The PSR will publish this figure annually. This figure represents the sum of all PSR fee payers' relevant transaction values across all systems in the relevant time period.</p>					

Chapter 10

Pensions guidance levy [deleted]

Chapter 11

Pensions guidance providers' levy [deleted]

Chapter 12

FOS ADR levy

12.1 Application and Purpose

Application

12.1.1 **R** This chapter applies to *FOS Ltd*.

Purpose

- 12.1.2 **G**
- (1) This chapter sets out *rules* governing the amounts payable by *FOS Ltd* to the *FCA* to fund the *FCA's* functions under the *ADR Regulations*.
 - (2) These *rules* are made using the rule-making power in paragraph 23 (Fees) Schedule 1ZA of the Act, as applied with modifications by Regulation 15A of the *ADR Regulations*.

12.2 FOS ADR levy

Obligation to pay FOS ADR levy

12.2.1 **R** *FOS Ltd* must pay the *FOS ADR levy*:

- (1) in full and without deduction; and
- (2) in accordance with this chapter.

Time of invoice and payment

12.2.2 **R**

- (1) The *FCA* will raise the *FOS ADR levy* annually in arrears.
- (2) The *FCA* will invoice *FOS Ltd* in April for the *FOS ADR levy* relating to the previous *fee year*.
- (3) *FOS Ltd* must pay the *FOS ADR levy* within 30 days of the date of the invoice.

Calculation of FOS ADR levy

12.2.3 **R** The *FOS ADR levy* is calculated as follows:

- (1) Determine the number of hours, or part of an hour, taken by the *FCA*, in performing functions under the *ADR Regulations*.
- (2) Using the table at ■ FEES 3 Annex 9R(11), determine the relevant pay grades of those employed by the *FCA* to perform the functions under the *ADR Regulations*.
- (3) Next, multiply the applicable rate in the table at ■ FEES 3 Annex 9R(11) by the number of hours or part hours obtained under (1).
- (4) Then add any fees and disbursements invoiced to the *FCA* by any *person* in respect of services performed by that *person* for the *FCA* to assist the *FCA* in performing its functions under the *ADR Regulations*.
- (5) The resulting figure is the *FOS ADR levy*.

12.2.4 **G**

- (1) The hourly rates chargeable for *FCA* employees are set out in the table at ■ FEES 3 Annex 9R(11) for Special Project Fee for Restructuring.
- (2) *FCA* board members are treated as "Any other person employed by the *FCA*" for this purpose.

12.2.5 **G** The obligation to pay the *FOS ADR levy* is ongoing.

Value-added tax (VAT)

- 12.2.6 **R**
- (1) All levies payable under ■ FEES 12 are stated net of VAT.
 - (2) Where VAT is applicable, this must also be included.



12.3 Late payments and recovery of unpaid levies

Late payments

12.3.1

R

If *FOS Ltd* does not pay the total amount of the *FOS ADR levy* before the end of the date on which it is due, it must pay:

- (1) an administrative fee of £250; and
- (2) interest on any unpaid part of the levy at an annual rate of 5% above the Official Bank Rate from time to time in force, accruing daily from the date on which the amount concerned became due.

Recovery of levies

12.3.2

G

- (1) The *FCA* may recover the *FOS ADR levy* as a debt owed to the *FCA* under paragraphs 23(8) of Schedule 1ZA of the *Act*.
- (2) The *FCA* will consider taking action for recovery (including interest) through the civil courts.

12.4 Relieving provisions

Reductions, remission or repayment of levy

- 12.4.1** **G** The *FCA* may reduce or remit all or part of the *FOS ADR levy* applicable to *FOS Ltd* if it appears to the *FCA* that in the exceptional circumstances of a particular case paying all or part of it would be inequitable.
- 12.4.2** **G** The *FCA* may refund all or part of the *FOS ADR levy* applicable to *FOS Ltd* if it appears to the *FCA* that in the exceptional circumstances of a particular case retaining all or part of the *FOS ADR levy* applicable to *FOS Ltd* would be inequitable.

Chapter 13

Illegal money lending levy

13.1 Application and purpose

Application

- 13.1.1 **R** This chapter applies to every *person* that is in activity group CC1 (Credit-related regulated activities with limited permission) or CC2 (Credit-related regulated activities).

Purpose

- 13.1.2 **G** The purpose of this chapter is to set out the requirements on the *persons* listed in **FEES 13.1.1R** to pay the annual *IML levy* to fund the costs of taking action against illegal money lending.
- 13.1.3 **G** Section 333S of the *Act* (Financial assistance for action against illegal money lending) provides that the Treasury may make grants or loans, or give other forms of financial assistance, to *persons* for the purpose of taking action against illegal money lending.
- 13.1.4 **G** Section 333T of the *Act* (Funding of action against illegal money lending) requires the Treasury to notify the *FCA* of the amount of the Treasury's illegal money lending costs. The *FCA* must make *rules* requiring *authorised persons*, or any specified class of *authorised person*, to pay to the *FCA* the specified amounts or amounts calculated in a specified way, with a view to recovering the amounts notified to it by the Treasury.
- 13.1.5 **G** **FEES 13** sets out the *rules* referred to in **FEES 13.1.4G**.
- 13.1.6 **G** The amounts to be paid under the *rules* may include a component to recover the expenses of the *FCA* in collecting the payments.
- 13.1.7 **G** The *FCA* must pay to the Treasury the amounts that it receives under the *IML levy* apart from amounts in respect of its collection costs (which it may keep).
- 13.1.8 **G** This chapter sets out the method by which the *IML levy* will be calculated. Details of the actual levy payable will vary from year to year, depending on the amount of funding provided by the Treasury for the purpose of combatting illegal money lending. These details are set out in **FEES 13 Annex 1R**. New details will be prepared and consulted on for each *financial year*.

Gibraltar-based firms

13.1.9

R

In accordance with ■ GEN 2.3 (General saving of the Handbook for Gibraltar), *rules or guidance* in ■ FEES 13 that immediately before *IP completion day* applied in relation to or in connection with Gibraltar will continue to apply after *IP completion day*. The exceptions to this provision are the fee rates set out in ■ FEES 13 Annex 1R, which may change each *fee year*.

13.2 The IML levy

Obligation to pay the IML levy

13.2.1 **R** A *firm* must pay each *IML levy* applicable to it:

in full and without deduction by 1 August (or, if later, within 30 *days* of the date of the invoice) in the financial year to which the sum relates; and

in accordance with the *rules* in this chapter.

13.2.1A **G** Schedule 6A to the *Act* sets out a procedure to enable the *FCA* to cancel or vary the *Part 4A permission* of a *person* who it appears to the *FCA* is not carrying on a *regulated activity*. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of *Part 4A permission* in specified circumstances. Where the *FCA* grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of *Part 4A permission* is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, the *IML levy* in relation to the period during which the *person's Part 4A permission* was cancelled or varied applies to the *person*.

13.2.1B **R** Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and the *person* falls within **FEES 13.2.1R** and the annulment takes effect after 1 August or after the invoice referred to in **FEES 13.2.1R(1)** has been issued, then that date for payment does not apply, but the *person* must pay the *IML levy* applicable to it in full and without deduction, on the date on which the annulment takes effect.

13.2.2 **R** [deleted]

Calculation of the IML levy

13.2.3 **R** The *IML levy* is calculated as follows:

- (1) identify whether activity group CC1 or CC2 applies to the business of the *firm* for the relevant period (for this purpose, the activity groups are defined in accordance with Part 1 of **FEES 4 Annex 1AR**);
- (2) for each of those activity groups, calculate the amount payable in the way set out in **FEES 13.2.4R**;

- (3) add the amounts calculated under (2);
- (4) work out whether a minimum *fee* is payable under Part 2 of ■ FEES 7 Annex 1R and if so how much;
- (5) add together the amounts calculated under (3) and (4);
- (6) modify the result as indicated by the tables in ■ FEES 4.2.7ER (Modifications for persons becoming subject to periodic fees during the course of a fee year), ■ FEES 4.2.7FR (Calculating the fee in the firm's first year of authorisation), ■ FEES 4.2.7GR (Calculating fees in the second *fee-year* where the firm received permission between 1 January and 31 March in its first *fee-year*) and ■ FEES 4.2.7HR to ■ FEES 4.2.7KR (Calculating all other fees in the second and subsequent years of authorisation where a full year of tariff data is not available) (if applicable);
- (7) apply any applicable payment charge specified in ■ FEES 4.2.4R (Method of payment) to the amount in (6), provided that:
 - (a) for payment by direct debit, successful collection of the amount due is made at the first attempt by the *FCA*; or
 - (b) for payment by credit transfer, the amount due is received by the *FCA* on or before the due date; and
- (8) make the calculation using information obtained in accordance with ■ FEES 4.4 (Information on which fees are calculated).

13.2.4 **R** The amount payable by a *firm* with respect to a particular activity group is calculated as follows:

- (1) for a *firm* in activity group CC1, a £5 flat rate is the amount payable by the *firm* with respect to that activity group;
- (2) for a *firm* in activity group CC2:
 - (a) up to and including £250,000 consumer credit income: £10 is the amount payable by the *firm* with respect to that activity group; and
 - (b) over £250,000 consumer credit income: £10 + £0.202 per £ thousand or part £ thousand of consumer credit income; and
- (3) a *firm* in activity group CC2 must calculate its tariff base using the annual income calculation in Part 3 of ■ FEES 4 Annex 1AR and ■ FEES 4 Annex 11BR and the valuation date requirements in Part 5 of ■ FEES 4 Annex 1AR.

13.2.5 **R** For the purposes of ■ FEES 13.2.4R:

- (1) a *firm* in activity group CC2 may apply the relevant tariff bases and rates to its non-UK business, as well as to its UK business, if:
 - (a) it has reasonable grounds for believing that the costs of identifying the *firm's* UK business separately from its non-UK business in the way described in ■ FEES 4 Annex 11BR are disproportionate to the difference in fees payable; and

(b) it notifies the *FCA* in writing at the same time as it provides the information concerned under ■ FEES 4.4 (Information on which fees are calculated), or if earlier, at the time it pays the fees concerned; and

(2) for a *firm* which has not complied with ■ FEES 4.4.2R (Information on which fees are calculated) for this period, the *IML levy* is calculated using (where relevant) the valuation or valuations of business applicable to the previous period multiplied by the factor of 1.10.

13.2.6 **R** [deleted]

FEES 4 rules incorporated into FEES 13 by cross-reference

13.2.7 **G** The *Handbook* provisions relating to the *IML levy* are meant to follow closely the provisions relating to the payment of the periodic fees in ■ FEES 4.3.1R. In the interests of brevity, not all of these provisions are set out again in ■ FEES 13. In some cases, certain ■ FEES 4 rules are applied to the payment of the *IML levy* by individual rules in ■ FEES 13. The rest are set out in the table in ■ FEES 13.2.9R.

13.2.8 **R** The rules set out in the table in ■ FEES 13.2.9R and any other rules in ■ FEES 4 included in ■ FEES 13 by cross-reference apply to the *IML levy* in the same way as they apply to periodic fees payable under ■ FEES 4.3.1R.

13.2.9 **R** Table of rules in ■ FEES 4 that also apply to ■ FEES 13 to the extent that in ■ FEES 4 they apply to fees payable to the *FCA*.

FEES 4 rules incorporated into FEES 13	Description
FEES 4.2.10R	Extension of time
FEES 4.2.11R (first entry only)	Due date and changes in <i>permission</i> for periodic fees
FEES 4.3.7R	Group of <i>firms</i>
FEES 4.3.13R	<i>Firms</i> applying to cancel or vary <i>permission</i> before start of period
FEES 4.3.17R	<i>Firms</i> acquiring businesses from other <i>firms</i>
FEES 4.4.1R to FEES 4.4.6AR	Information on which fees are calculated

13.2.10 **G** In some cases, a ■ FEES 4 rule incorporated into ■ FEES 13 in the manner set out in ■ FEES 13.2.7G will refer to another rule in ■ FEES 4 that has not been individually incorporated into ■ FEES 13. Such a reference should be read as being to the corresponding provision in ■ FEES 13.

13.2.11 **G** Table of ■ FEES 4 rules that correspond to ■ FEES 13 rules

FEES 4 rules	Corresponding FEES 7 rules
FEES 4.2.1R	FEES 13.2.1R
FEES 4.3.1R	FEES 13.2.3R
FEES 4.3.3R	FEES 13.2.3R
FEES 4.3.3AR	FEES 13.2.3R
FEES 4.3.12R	FEES 13.2.6R
FEES 4.3.12AR	FEES 13.2.6R

Illegal money lending (IML) levy for 2023/24

Limited permission (fee-block CC1):	£5 flat rate	
Full authorisation (fee-block CC2):	Up to £250,000 consumer credit income:	£10
	Over £250,000 consumer credit income:	£10 + 0.274 per £1,000

Chapter 13A

Temporary Permissions Regime (TPR) and Financial Service Contracts Regime (FSCR) – Illegal money lending levy

13A.1 Application and purpose

Application

- 13A.1.1 **R** This chapter applies to every *TP person* carrying on an activity which would fall within activity group CC2 (Credit-related regulated activities).

Purpose

- 13A.1.2 **R** The purpose of this chapter is to set out the requirements on the *persons* listed in ■ FEES 13A.1.1R to fund the costs of taking action against illegal money lending. For the avoidance of doubt, such *persons* also include *supervised run-off firms*.
- 13A.1.3 **G** Section 333S of the *Act* (Financial assistance for action against illegal money lending) provides that the Treasury may make grants or loans, or give other forms of financial assistance, to *persons* for the purpose of taking action against illegal money lending.
- 13A.1.4 **G** Section 333T of the *Act* (Funding of action against illegal money lending) requires the Treasury to notify the *FCA* of the amount of the Treasury's illegal money lending costs. The *FCA* must make *rules* requiring *authorised persons*, or any specified class of authorised persons, to pay to the *FCA* the specified amounts or amounts calculated in a specified way, with a view to recovering the amounts notified to it by the Treasury.
- Regulations 28 and 34 of the *EU Exit Passport Regulations* provide that *supervised run-off firms* are treated as having *Part 4A permission* or a *variation* to the *permission*.
- 13A.1.5 **G** FEES 13A sets out the rules referred to in ■ FEES 13A.1.4G.



13A.2 Obligation to pay the IML levy

- 13A.2.1** **R** A *TP person* must pay the *TPR IML levy* applicable to it:
- (1) in full and without deduction by 1 August (or, if later, within 30 days of the date of the invoice) in the *financial year* to which the sum relates; and
 - (2) in accordance with the *rules* in this chapter.
- 13A.2.1A** **G** Schedule 6A to the *Act* sets out a procedure to enable the *FCA* to cancel or vary the *Part 4A permission* of a *person* who it appears to the *FCA* is not carrying on a *regulated activity*. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of *Part 4A permission* in specified circumstances. Where the *FCA* grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of *Part 4A permission* is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, the *TPR IML levy* in relation to the period during which the *person's Part 4A permission* was cancelled or varied applies to the *person*.
- 13A.2.1B** **R** Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and the *person* falls within **■ FEES 13A.2.1R** and the annulment takes effect after 1 August or after the invoice referred to in **■ FEES 13A.2.1R(1)** has been issued, then the date for payment referred to in **■ FEES 13A.2.1R(1)** does not apply, but the *person* must pay the *TPR IML levy* applicable to it in full and without deduction, on the date on which the annulment takes effect.
- Calculation of the TPR IML levy**.....
- 13A.2.2** **R** The *TPR IML levy* is calculated as follows:
- (1) identify whether activity group CC2 applies to the business of the *TP person* for the relevant period (for this purpose, the activity group is defined in accordance with Part 1 of **■ FEES 4 Annex 1AR**);
 - (2) calculate the amount payable in accordance with **■ FEES 13A Annex 1R**;
 - (3) a *TP person* in activity group CC2 must calculate its tariff base using the annual income calculation in Part 3 of **■ FEES 4 Annex 1AR** and **■ FEES 4 Annex 11BR** (including only business undertaken from a *branch* in the *UK*) and the valuation date requirements in Part 5 of **■ FEES 4 Annex 1AR**.

13A.2.3 **R**

For the purposes of **FEES 13A.2.2R**:

- (1) a *TP person* may apply the relevant tariff bases and rates to its non-UK business, as well as to its UK business, if:
 - (a) it has reasonable grounds for believing that the costs of identifying the *TP person's* UK business separately from its non-UK business in the way described in Part 3 of **FEES 4 Annex 1AR** and Part 3 of **FEES 4 Annex 11R** are disproportionate to the difference in fees payable; and
 - (b) it notifies the *FCA* in writing at the same time as it provides the information concerned under **FEES 13A.2.2R(3)**, or, if earlier, at the time it pays the *TPR IML levy* concerned.
- (2) for a *TP person* which has not complied with **FEES 13A.2.2R(3)** for this period, the *TPR IML levy* is calculated using (where relevant) the valuation or valuations of business applicable to the previous period, multiplied by the factor of 1.10.

TPR IML levy commencement

13A.2.4 **R**

The *TPR IML levy* under **FEES 13A** relate to the whole of any fee year and are due for payment from the commencement of the fee year. Any payment made under **FEES 13A.2.1R** is not refundable.

FEES 4 rules incorporated into FEES 13A by cross-reference

13A.2.5 **G**

The Handbook provisions relating to the *TPR IML levy* in **FEES 13A** are meant to follow closely the provisions relating to the payment of the periodic fees in **FEES 4**. In the interests of brevity, not all of the provisions in **FEES 4** are set out again in **FEES 13A**. In some cases, certain **FEES 4** rules are applied to the payment of the *TPR IML levy* by individual rules in **FEES 13A**. The rest are set out in the table in **FEES 13A.2.7R**.

13A.2.6 **R**

The *rules* set out in the table in **FEES 13A.2.7R** and any other rules in **FEES 4** included in **FEES 13A** by cross-reference apply to the *TPR IML levy* in the same way as they apply to periodic fees payable under **FEES 4**.

13A.2.7 **R**

Table of rules in **FEES 4** that also apply to **FEES 13A** to the extent that in **FEES 4** they apply to fees payable to the *FCA*

FEES 4 rules incorporated into FEES 13A	Description
FEES 4.2.10R	Extension of time
FEES 4.3.7R	Groups of firms
FEES 4.3.17R	Firms acquiring businesses from other firms

13A

TPR illegal money lending (IML) levy for 2023/24

Activity group	Description	Fee (£)
Activity group CC2. Credit-related regulated activities:	Up to £250,000 consumer credit income:	10
	Over £250,000 consumer credit income:	10 + £0.274 per £1,000

Appendix 1

Unauthorised Mutuals Registration Fees Rules

1.1 Introduction

Application

App 1.1.1 **R** These rules apply to every:

- (1) ■ registered society;
- (2) ■ sponsoring body;
- (3) *person* who submits a proposal for the registration of a ■ registered society.

App 1.1.2 **G**

- (1) The purpose of these rules is to set out the requirements for registered societies and sponsoring bodies to pay application fees.
- (2) This set of rules is in respect of the registration functions relating to registered societies transferred to the *FCA* by section 50 of the Financial Services Act 2012, other than friendly societies authorised under section 31 of the *Act*.

Background

App 1.1.3 **G** [deleted]

App 1.1.4 **G** ■ FEES App 1 Annex 2 to these rules contains further information on the fees applicable to ■ registered societies under these rules.

App 1.1.5 **G** [deleted]

App 1.1.6 **G** The application fee payable to register a new society is a tiered fee: the amount payable for registration of a new society is dependent on whether the rules are

based on a free draft or on ■ model rules. Further, where ■ model rules are used in the case of the registration of a new society other than a credit union, then the number of amendments made to the ■ model rules will affect the fee. The application fee payable by a ■ sponsoring body for a new set of ■ model rules is a flat fee.

App 1.1.7 **G** In these rules:

- (1) an "R" in the margin or heading indicates that the provision is a rule, which creates binding obligations;
- (2) a "G" in the margin or heading indicates that the provision is guidance, which is designed to throw light on a particular aspect of these rules, but which is not binding nor an exhaustive description of a *person's* obligations.

Glossary of definitions

App 1.1.8 **R** In these rules, an expression in italics has the meaning given in ■ Annex 4R.

1.2 Periodic Fees

App 1.2.1 **R** [deleted]

App 1.2.2 **R** [deleted]

App 1.2.3 **R** [deleted]

App 1.2.4 **R** [deleted]

App 1.2.5 **R** [deleted]

App 1.2.5A **R** [deleted]

App 1.2.5B **R** [deleted]

App 1.2.6 **R** [deleted]

App 1.2.7 **R** [deleted]

App 1.2.8 **R** [deleted]

App 1.2.9 **R** [deleted]

App 1.2.10 **G** [deleted]

App 1.2.11 **G** [deleted]

Amending model rules

App 1.2.12 **G** If a **■** sponsoring body wishes to change a set of **■** model rules, it should supply a copy to the *FCA* indicating the proposed changes. No application fee is payable for such changes.

App 1.2.13 **G** [deleted]

1.3 Application Fees

General

App 1.3.1 **R** A *person* who submits to the *FCA* a proposal for the registration of a society must pay to the *FCA*, in full and without deduction, the fee specified for the type of application under **■** Annex 1A.

App 1.3.2 **R** A **■** sponsoring body wishing a set of rules to become **■** model rules for the first time must pay to the *FCA*, in full and without deduction, the application fee specified in **■** FEES App 1 Annex 1A.

Method of payment

App 1.3.3 **R** Application fees must be paid by a method specified in **■ FEES 2.1.12R** unless **■ FEES 2.1.13R** applies.

Due dates

App 1.3.4 **R** A *person* making an application or submitting a proposal for the registration of a society must pay the application fee on, or before, making the application.

App 1.3.5 **R** A **■ sponsoring body** must pay the application fee for a new set of **■ model rules** on or before making the application.

App 1.3.6 **G** The *FCA* may require the fee to be paid by the *person* making the application before the *FCA* undertakes any preliminary consideration of the proposed application or rules.

Refunds

App 1.3.7 **G** The *FCA* will not refund application fees under any circumstances.

App 1.3.8 **G** Paragraph 1.3.7G applies also in the case of applications that are not proceeded with where a fee has been paid in advance.

1 Annex 1 **Periodic fees payable for the period 1 April 2018 to 31 March 2019 [deleted]**

[deleted]

R

1 Annex 1A **Application Fees payable**

R **Part 1 Application fees payable to register a new society other than a credit union**

Transaction	Amount payable (£)
Application using <i>model rules</i> without any amendment to the model	40
Application using <i>model rules</i> with between 1 and 6 amendments to the model	120

Application using model rules with between 7 and 10 amendments to the model	350
Application using model rules with 11 or more amendments to the model, or using free draft rules	950

Part 2 Application fees payable by sponsoring bodies

This fee is not payable by sponsoring bodies in respect of the model rules of credit unions.

Transaction	Amount payable (£)
Application for a new set of model rules	950

Part 3 [deleted]

1 Annex 2 Further information on fees

G	Purpose
1	The purpose of this annex is to set out further information on fees applicable to registered societies.
2	[deleted]
3	[deleted]
4	[deleted]
(5)	[deleted]
	Recovery of fees
(6)	Paragraph 23(8) of Schedule 1ZA to the Act permits the FCA to recover fees as a debt owed to the FCA and the FCA will consider court action for recovery through the civil courts.

1 Annex 3 Emergencies [deleted]

[deleted]

1 Annex 4 Glossary of definitions

R In these rules, an expression in italics has the meaning given below:

Expression	Definition
<i>Act</i>	The Financial Services and Markets Act 2000.
<i>amendment to model rules</i>	(In Annex 1R) any number of changes to a single numbered rule and its sub-clauses (however described) represents a single amendment to model rules; the provision of information in respect of a name, an address, or a number, or any text which is added to a <i>model rule</i> in a space specifically provided in the <i>model rule</i> for the addition of such text, will not be regarded as an amendment to model rules.
<i>annual return</i>	The annual return required to be submitted to the <i>FCA</i> under s.43 of the Friendly Societies Act 1974 or s.39 of the Industrial and Provident Societies Act 1965.
<i>business day</i>	In rule 1.2.8R, any day which is not a Saturday or a Sunday, Christmas Day, Good Friday or a bank holiday in that part of the United Kingdom in which the <i>registered society</i> has its registered office.
<i>day</i>	A period of 24 hours beginning at midnight.
<i>FCA</i>	The Financial Conduct Authority.
<i>model rules</i>	A set of rules: <ol style="list-style-type: none"> (a) which a <i>sponsoring body</i> has provided to the <i>FCA</i>; (b) in relation to which the <i>sponsoring body</i> has paid all relevant fees due under these rules; and (c) which complies with the provisions of the Industrial and Provident Societies Acts 1965 and 1967, the Friendly and Industrial and Provident Societies Act 1968 and the Friendly Societies Acts 1974 and 1992, as appropriate; or

	(d)	the Credit Unions Act 1979;
person		(a list of <i>model rules</i> which satisfy (a) and (b) and, in the <i>FCA's</i> view, satisfy (c), is available from the Mutual Societies Registration department at the <i>FCA</i>). (In accordance with the Interpretation Act 1978) any person, natural or legal, including a body of persons corporate or unincorporated.
registered society		A society registered under the Industrial & Provident Societies Acts, the Credit Unions Act 1979, the Superannuation and Other Trust Funds (Validation) Act 1927, or the Friendly Societies Act 1974; which is not authorised for the purposes of section 31 of the <i>Act</i> .
sponsoring body		A body which publishes, or which proposes to publish, <i>model rules</i> for registered societies.
total assets		The figure shown in the <i>annual return</i> against the heading 'Total Assets' or, where there is no such heading, the value of the gross assets shown in the balance sheet of the firm.

1 Annex 5 Personal inspection

App 1 Annex 5 **R**

1	R	Any <i>person</i> may attend the <i>FCA</i> offices to inspect any document or documents from the Mutuals Register, upon appointment and payment of the relevant fee.
2	R	The relevant fee for personal inspection is the hourly rate for an Associate, as set down in FEES 3 Annex 9(11)R. The full hourly rate is payable for each hour or part-hour of the visit.

Appendix 2

Office for Professional Body Anti-money laundering Supervision fees

2.1 Introduction

Application

App2.1.1 **G** This Appendix is relevant to:

- (1) **persons** applying to become **professional body supervisors**; and
- (2) **professional body supervisors**.

App2.1.2 **G** The purpose of this Appendix is to set out the requirements for **professional body supervisors** to pay the application and periodic fees which, together, will provide the funding for the **FCA's** functions under the Oversight of Professional Body Anti-Money Laundering and Counter Terrorist Financing Supervision Regulations 2017 ("the **OPBAS Regulations**").

App2.1.3 **G** Regulation 27 of the **OPBAS Regulations**, in summary, provides that the **FCA** may impose charges on:

- (1) a **person** applying to become a **professional body supervisor**; and
- (2) an existing **professional body supervisor** to recover its costs of supervision.

App2.1.4 **G**

- (1) The application fee which will be payable by a **person** applying to become a **professional body supervisor** is set out in **FEES Appendix 2 Annex 1**.
- (2) The detail of the periodic fees which will be payable by **professional body supervisors** is set out in **FEES Appendix 2 Annex 2**.

App2.1.5 **G** In this Appendix:

- (1) a “note” (indicated by “**Note:**”) after a provision indicates, for the convenience of readers, that it is a provision made pursuant to Regulation 27 of the **OPBAS Regulations**; and
- (2) a “G” in the margin indicates that the provision is guidance, which is designed to throw light on a particular aspect of a direction or the provisions imposing charges, but is neither binding nor an exhaustive description of a **professional body supervisor’s** obligations.

Glossary of definitions

App2.1.6 **G** In this Appendix and in **FEES TP 19A**, an expression in bold (other than in headings and titles) has the meaning given in **FEES Appendix 2 Annex 3G**.

2.2 Application fees imposed under Regulation 27 of the OPBAS Regulations

General

App2.2.1 **I** A **person** making an application to the **FCA** to become a **professional body supervisor** must pay to the **FCA**, in full and without deduction, the fee specified in **FEES Appendix 2 Annex 1**.

[**Note:** Regulation 27 of the **OPBAS Regulations**]

Method of payment

App2.2.2 **I** Application fees must be paid by the method specified in **FEES Appendix 2 Annex 1**.

[**Note:** Regulation 27 of the **OPBAS Regulations**]

Due dates

App2.2.3 **I** A **person** making an application to become a **professional body supervisor** must pay the application fee on, or before, making the application.

[**Note:** Regulation 27 of the **OPBAS Regulations**]

Refunds

App2.2.4 **G** Application fees paid under this Appendix are not refundable.

2.3 Periodic fees imposed under Regulation 27 of the OPBAS Regulations

General

- App2.3.1** **I** Subject to **■ FEES App 2.3.2**, a **professional body supervisor** must pay to the **FCA**, in full and without deduction, the periodic fee applicable to it under **■ FEES Appendix 2 Annex 2** for a **fee year** during which, or part of which, the relevant professional body is included in Schedule 1 to the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (“the **MLR**”).

[Note: Regulation 27 of the **OPBAS Regulations**]

Calculating the fee in the professional body supervisor’s first year

- App2.3.2** **I** A **professional body supervisor** added to Schedule 1 to the **MLR** during the course of a **fee year** must pay the fee calculated in accordance with **■ FEES App 2.3.3**.

[Note: Regulation 27 of the **OPBAS Regulations**]

- App2.3.3** **I** Apply the formula $(A+B) \times C$, where:

A = the minimum fee set out in Part 3 of **■ FEES Appendix 2 Annex 2**;

B = the variable fee due for the full **fee year**, calculated in accordance with **■ FEES Appendix 2 Annex 2**; and

C = the number of complete **months** (inclusive) between the **month** during which the **professional body supervisor** was added to Schedule 1 to the **MLR** and the last **month** of that **fee year** $\div 12$.

[Note: Regulation 27 of the **OPBAS Regulations**]

- App2.3.4** **I** A **professional body supervisor** which has not been required by **■ FEES App 2.3.8** to submit the actual information set out in **■ FEES Appendix 2 Annex 2** before the commencement of a given **fee year** must pay a fee based on information calculated in accordance with **■ FEES Appendix 2 Annex 2** as at [tbc] preceding the relevant **fee year**.

The information referred to in (1) is the information provided by the **professional body supervisor** in the course of its application to be added to the list of professional bodies in Schedule 1 to the **MLR**.

[Note: Regulation 27 of the **OPBAS Regulations**]

Time of payment

- App2.3.5** **I** If a **professional body supervisor’s** periodic fee for the previous **fee year** was at least £50,000, it must pay its periodic fee for the current **fee year** in two instalments as follows:

- (1) an amount equal to 50% of the periodic fee payable for the previous **fee year** by:
 - (a) 1 April; or
 - (b) if later, within 30 **days** of the date of the invoice, in the **fee year** to which that sum relates; and
- (2) the balance of the periodic fee due for the current **fee year** by:
 - (a) 1 September; or
 - (b) if later, within 30 **days** of the date of the invoice, in the **fee year** to which that sum relates.

[Note: Regulation 27 of the **OPBAS Regulations**]

App2.3.6 **I** If a **professional body supervisor's** periodic fee for the previous **fee year** was less than £50,000, it must pay the periodic fee within 30 **days** of the date of the invoice for the **fee year** to which that sum relates.

[Note: Regulation 27 of the **OPBAS Regulations**]

App2.3.7 **G** ■ FEES App 2.3.5 and ■ FEES App 2.3.6 apply in relation to periodic fees payable by a **professional body supervisor** under this Appendix only. It does not relate to periodic fees payable in a professional body's capacity as a professional body designated by the Treasury under section 326 of the Financial Services and Markets Act 2000 (Designation of professional bodies) for the purposes of Part XX of that Act (Provision of Financial Services by Members of the Professions).

Information on which fees are calculated

App2.3.8 **I** A **professional body supervisor** must send to the **FCA** the information required under Part 1 of ■ FEES Appendix 2 Annex 2, on which the periodic fee payable by the **professional body supervisor** is to be calculated.

[Note: Regulation 27 of the **OPBAS Regulations**]

App2.3.9 **I** A **professional body supervisor** must send to the **FCA** in writing the information required under ■ FEES App 2.3.8 on or before 31 October preceding the relevant **fee year**.

[Note: Regulation 27 of the **OPBAS Regulations**]

App2.3.10 **I** If a **professional body supervisor** fails to send to the **FCA** the information required under ■ FEES App 2.3.8 by the date specified in ■ FEES Appendix 2.3.9, the **FCA** may use the information provided by the **professional body supervisor** under Regulation 51 and Schedule 4 to the **MLR** or Regulation 27 of the **OPBAS Regulations** as the basis for calculating fees payable by the **professional body supervisor**.

[Note: Regulation 27 of the **OPBAS Regulations**]

App2.3.11 **G** The **FCA** will use the information referred to in ■ FEES App 2.3.8 only for the purpose of calculating **professional body supervisors'** fees. Therefore, the definition of 'supervised individuals' set out in ■ FEES Appendix 2 Annex 2 applies for the purpose of calculating those fees only.

Application fee imposed under Regulation 27 of the OPBAS Regulations

[Note: Regulation 27 of the **OPBAS Regulations**]

Part 1: Application fees payable to be included in Schedule 1 to the Money Laundering Regulations

Transaction	Amount payable (£)
Application to be added to the list of professional bodies in Schedule 1 to the MLR	£5,000

Part 2: Method of payment of application fees

Payment method	Additional amount or discount applicable
Electronic credit transfer	None

Periodic fees imposed under Regulation 27 of the OPBAS Regulations: tariff base, review date, tariff rates

[Note: Regulation 27 of the OPBAS Regulations]

Part 1

This table sets out the tariff base for the **professional body supervisor** fee-block. The tariff base in this Part is the means by which the **FCA** calculates the annual periodic fees payable by a **professional body supervisor** to the **FCA**.

D.2 Professional body supervisors	Supervised individuals
Professional bodies listed in Schedule 1 to the Money Laundering Regulations.	<p>The total of:</p> <p>(a) the number of all beneficial owners, officers and managers of all supervised firms that are relevant persons; plus</p> <p>(b) the number of all supervised sole practitioners who are relevant persons.</p> <p>Where a relevant person is supervised under the MLR by more than one professional body supervisor and the professional body supervisors concerned have agreed which one of them will include the number specified in (a) or (b) above in its count of 'supervised individuals', the remaining professional body supervisor(s) may exclude this information from their count of 'supervised individuals'.</p>

Part 2

This table sets out the review date for a **professional body supervisor's** fees. A **professional body supervisor** is required to send to the **FCA** the information in Part 1 of this Annex as at the review date set out below, as soon as reasonably practicable, and in any event by the date shown in FEES App 2.3.9 and/or any relevant transitional provision.

D.2 Professional body supervisors	The most recent number of supervised individuals (calculated in accordance with Part 1) during the twelve months ending 5 April before the relevant fee year .
-----------------------------------	--

Part 3

This table sets out the tariff rates applicable to **professional body supervisors**.

Fee payable in relation to 2023/24	Amount payable (£)
Minimum fee, payable by all professional body supervisors subject to the OPBAS Regulations .	£5,310
Variable fee, payable by professional body super-	£38.65 multiplied by the total number of super-

Fee payable in relation to 2023/24	Amount payable (£)
visors where the number of supervised individuals is 6,000 or more.	vised individuals in excess of the threshold of 6,000. [See Note]
[Note: reference to “the number of supervised individuals” is to those supervised individuals calculated in accordance with Part 1.]	

Glossary of definitions

The following words or terms used in ■ FEES Appendix 2 appearing in bold (other than headings and titles) have the meanings given to them below.

Expression	Definition
beneficial owner	has the meaning given in Regulation 3 of the MLR .
day	a period of 24 hours beginning at midnight.
FCA	Financial Conduct Authority.
fee year	1 April to 31 March inclusive.
firm	has the meaning given in Regulation 3 of the MLR .
manager	has the meaning given in Regulation 3 of the MLR .
MLR	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (SI 2017/692).
month	(in accordance with the Interpretation Act 1978) a calendar month.
officer	has the meaning given in Regulation 3 of the MLR .
OPBAS Regulations	the Oversight of Professional Body Anti-Money Laundering and Counter Terrorist Financing Supervision Regulations 2017 (SI 2017/1301).
person	(in accordance with the Interpretation Act 1978) any person, including a body of persons corporate or unincorporate (that is, a natural person, a legal person and, for example, a partnership).
professional body supervisor	a professional body listed in Schedule 1 to the MLR .
relevant person	has the meaning given in Regulation 3 of the MLR .
supervised	is subject to supervision by a professional body supervisor in its capacity as supervisory authority within the meaning of Regulation 7(1)(b) of the MLR .

Appendix 3

Fees payable by persons registered under the Money Laundering Regulations that are not cryptoasset businesses

3.1 Fees for persons registered under the Money Laundering Regulations that are not cryptoasset businesses

Application and periodic fees

App3.1.1 G Regulation 102 of the *Money Laundering Regulations* provides the *FCA* with the power to charge fees to *persons* registered with the *FCA* under the *Money Laundering Regulations* to recover the cost of carrying out its functions under those regulations. The *FCA* charges a fee for registration forms submitted to it. The *FCA* also charges an annual periodic fee. The purpose of this Appendix is to set out the charges relating to *persons* registered with the *FCA* under the *Money Laundering Regulations* that are not *authorised persons* or *cryptoasset businesses* or otherwise registered with the *FCA*. The fees for *cryptoasset businesses* registered with the *FCA* under the *Money Laundering Regulations* are set out in ■ FEES Appendix 4.

App3.1.2 R

(1)	Registration fee:		
	Category 1		
(2)	Periodic fee:		
	Activity group	Fee-payer falls in the activity group if:	Fee payable in 2023/24
	G.1	it is registered with the <i>FCA</i> under the <i>Money Laundering Regulations</i> or any predecessor legislation and it is not an <i>authorised person</i> or a <i>cryptoasset busi-</i>	£1,062

ness or otherwise registered with the FCA.

[Note: Regulation 102 of the *Money Laundering Regulations*]

App3.1.3 **G** [deleted]

App3.1.4 **G** [deleted]

Appendix 4

Fees payable by cryptoasset businesses registered under the Money Laundering Regulations

4.1 Introduction

Application

App4.1.1 **G** Regulation 102 of the *Money Laundering Regulations* provides the *FCA* with the power to charge fees to *persons* registered with the *FCA* under the *Money Laundering Regulations* to recover the cost of carrying out its functions under those regulations. The *FCA* charges a fee for registration forms submitted to it. The *FCA* also charges an annual periodic fee. The purpose of this Appendix is to set out the fees relating to *cryptoasset businesses* registered with the *FCA* under the *Money Laundering Regulations*. The fees for *persons* registered under the *Money Laundering Regulations* that are not *cryptoasset businesses*, *authorised persons* or otherwise registered with the *FCA* are set out in ■ FEES Appendix 3.

- App4.1.2** **G**
- (1) The application fee which will be payable by a *cryptoasset business* applying for registration in the register maintained by the *FCA* under regulation 54(1A) of the *Money Laundering Regulations* is set out in ■ FEES Appendix 4 Annex 1.
 - (2) The detail of the periodic fees which will be payable by *cryptoasset businesses* registered with the *FCA* under the *Money Laundering Regulations* is set out in ■ FEES Appendix 4 Annex 2.

App4.1.3 **G** In this Appendix:

- (1) a “note” (indicated by “Note:”) after a provision indicates, for the convenience of readers, that it is a provision made pursuant to the *Money Laundering Regulations*;
- (2) a “G” in the margin indicates that the provision is guidance, which is designed to throw light on a particular aspect of a direction or the

provisions imposing charges, but is neither binding nor an exhaustive description of a *cryptoasset business's* obligations; and

- (3) a "D" in the margin indicates that the provision contains a direction made pursuant to the *Money Laundering Regulations*. Directions are binding upon the *person* or categories of *persons* to whom they are addressed.

Glossary

App4.1.4 **G** In this Appendix, except where we indicate otherwise, an expression in italics has the meaning given in the *FCA's Glossary*.

4.2 Application fees

General

App4.2.1 **R** A *cryptoasset business* making an application to register with the *FCA* under the *Money Laundering Regulations* must pay to the *FCA*, in full and without deduction, the fee specified in ■ FEES Appendix 4 Annex 1.

App4.2.2 **G**

- (a) The registration fee is an integral part of a *cryptoasset business's* registration with the *FCA* under the *Money Laundering Regulations*.
- (b) Any application received by the *FCA* without payment made of the fee specified in ■ FEES Appendix 4 Annex 1, in full and without deduction, will not be treated as an application made under the *Money Laundering Regulations*.
- (c) Where this is the case, the *FCA* will contact the applicant to point out that the application cannot be progressed until the fee payable under ■ FEES Appendix 4.2.1 has been received. If the fee, in full and without deduction, is not received, the application will be returned to the applicant and no application will have been made.

Method of payment

App4.2.3 **R** The sum payable under ■ FEES Appendix 4.2.1 must be paid in pounds sterling by a method specified in ■ FEES 2.1.12R unless ■ FEES 2.1.13R applies.

[Note: Regulation 102 of the *Money Laundering Regulations*]

Due Dates

App4.2.4 **R** A *person* making an application to register with the *FCA* under the *Money Laundering Regulations* as a *cryptoasset business* must pay the application fee on, or before, making the application.

[Note: Regulation 102 of the *Money Laundering Regulations*]

Refunds

App4.2.5 **G** Application fees paid under this Appendix are not refundable.

4.3 Periodic fees

General

- App4.3.1 **R**
- (1) A *cryptoasset business* registered with the FCA under the *Money Laundering Regulations* must pay to the FCA the periodic fee applicable to it under ■ FEES Appendix 4 Annex 2.
 - (2) The payment in (1) must be made:
 - (a) in full and without deduction; and
 - (b) for every *fee year* during which, or part of which, it is registered with the FCA under the *Money Laundering Regulations*.
 - (3) This provision is modified where ■ FEES Appendix 4.3.5 applies, as stated in ■ FEES Appendix 4.3.5.

[Note: Regulation 102 of the *Money Laundering Regulations*]

App4.3.2 **G** The FCA will issue invoices at least 30 days before the dates on which payments fall due.

Method of payment

App4.3.3 **R** A periodic fee payable under ■ FEES Appendix 4.3.1(1) must be paid in pounds sterling by a method specified in ■ FEES 2.1.12R unless ■ FEES 2.1.13R applies.

[Note: Regulation 102 of the *Money Laundering Regulations*]

Modifications for cryptoasset businesses becoming subject to periodic fees during the course of the fee year

- App4.3.4 **R**
- (1) A *cryptoasset business* which becomes registered with the FCA under the *Money Laundering Regulations* during the course of a *fee year* must pay a fee based on its projected valuation for the first twelve *months* of its new business.
 - (2) This is the valuation provided by the *cryptoasset business* in the course of its application or if not provided at that time, the valuation provided subsequently.

[Note: Regulation 102 of the *Money Laundering Regulations*]

Calculating the fee in the first year

App4.3.5 **R** To calculate its fee in its first year of registration a *cryptoasset business* must apply the formula $(A+B) \times C$, where:

- (1) A = the minimum fee set out in ■ FEES Appendix 4 Annex 2, unless already paid in which case this figure is 0;
- (2) B = the amount arrived at by applying the tariff rates to the *cryptoasset business's* projected valuation for the first twelve *months* of its new business, as provided by it in accordance with ■ FEES Appendix 4.3.4; and
- (3) C = the number of calendar *months* (inclusive) between the calendar *month* during which the *cryptoasset business* was registered with the FCA under the *Money Laundering Regulations* and the last *month* of that *fee year* ÷ 12.

[Note: Regulation 102 of the *Money Laundering Regulations*]

Calculating fees in the second fee-year where the cryptoasset business is registered between 1 January and 31 March in its first fee year

App4.3.6 **R** When a *cryptoasset business* is registered with the FCA under the *Money Laundering Regulations* between 1 January and 31 March, its fee for the following *fee year* starting 1 April will be calculated from:

- (1) the projected valuation for the first twelve *months* of its new business that it provided in accordance with ■ FEES Appendix 4.3.4; or
- (2) an annualised figure based on actual data provided by 30 April in the *fee year* following obtaining its registration.

The annualised figure referred to in (2) is calculated by applying the formula $(A \div B) \times 12$, where:

A = the total income from the date of registration up to the *cryptoasset business's* financial year end or 31 March (whichever is sooner) of its first *fee year*; and

B = the number of *months* in the period referred to in A.

[Note: Regulation 102 of the *Money Laundering Regulations*]

Calculating all other fees in the second and subsequent years of registration where a full year of tariff data is not available

App4.3.7 **D** If it can, a *cryptoasset business* must provide data from a complete period that begins on or after the date that it was registered with the FCA.

[Note: Regulation 74A of the *Money Laundering Regulations*]

App4.3.8 **R** If a *cryptoasset business* does not have sufficient tariff data to enable the periodic fee to be calculated in respect of that *fee year*, it must calculate an annualised figure based on actual data where possible, applying the formula $(A \div B) \times 12$, where:

A = the total income from the date of registration with the FCA under the *Money Laundering Regulations* up to the *cryptoasset business's* financial year end or 31 December (whichever is sooner); and

B = the number of *months* in the period referred to in A.

[Note: Regulation 102 of the *Money Laundering Regulations*]

App4.3.9 **G** For example, the valuation date specified in **■ FEES Appendix 4 Annex 2** is based on income for the financial year ending during the calendar year ending 31 December before the relevant *fee year* starting the following April. If the *cryptoasset business* is registered in October and its financial year ends in June, by April it will not have been able to report on the basis of its financial year. The value of A would therefore cover the period from October to December and the value of B would be two i.e. November and December.

If the *cryptoasset business* was registered in June and its financial year ended in October, the value of A would cover June to October and the value of B would be four i.e. July to October.

Time of payment

App4.3.10 **R** If a *cryptoasset business's* periodic fee paid under this appendix for the previous *fee year* was £50,000 or more, it must pay its periodic fee for the current *fee year* in two instalments as follows:

- (1) an amount equal to 50% of the periodic fee payable for the previous *fee year* by:
 - (a) 1 April; or
 - (b) if the fee is payable after 1 April, within 30 *days* of the date of the invoice, in the *fee year* to which that sum relates; and
- (2) the balance of the periodic fee due for the current *fee year* by:
 - (a) 1 September; or
 - (b) if the fee is payable after 1 September, within 30 *days* of the date of the invoice, in the *fee year* to which that sum relates.

[Note: Regulation 102 of the *Money Laundering Regulations*]

App4.3.11 **R** If a *cryptoasset business's* periodic fee paid under this appendix for the previous *fee year* was less than £50,000, it must pay the periodic fee within 30 *days* of the date of the invoice for the *fee year* to which that sum relates.

[Note: Regulation 102 of the *Money Laundering Regulations*]

Late payment

App4.3.12 **R** If a *cryptoasset business* registered with the FCA under the *Money Laundering Regulations* does not pay the total amount of the relevant periodic fee before the end of the date on which it is due, it must pay an additional amount as follows:

- (1) if the fee was not paid in full before the end of the due date, an administrative fee of £250; plus
- (2) interest on any unpaid part of the fee at the rate of 5% per annum above the Official Bank Rate from time to time in force, accruing on a daily basis from the date on which the amount concerned became due.

[Note: Regulation 102 of the *Money Laundering Regulations*]

Recovery of Fees

- App4.3.13** **R** (1) Regulation 101 of the *Money Laundering Regulations* permits the *FCA* to recover charges imposed on *cryptoasset businesses* by the *FCA* under the *Money Laundering Regulations* as a debt owed to the *FCA*.
- (2) The *FCA* will consider taking action for recovery through the civil courts.

[Note: Regulation 101 of the *Money Laundering Regulations*]

Information on which fees are calculated

- App4.3.14** **D** A registered *cryptoasset business* must submit to the *FCA* in writing the income information prescribed in ■ FEES Appendix 4 Annex 2 as soon as reasonably practicable, and in any event, within two months of the valuation date. The *FCA* will use this information to calculate the periodic fee payable by the *cryptoasset business*.

[Note: Regulation 74A of the *Money Laundering Regulations*]

Application fee payable by cryptoasset businesses registered under the Money Laundering Regulations

(1)	Registration fee:
<i>Cryptoasset business</i>	Category 6
[Note: Regulation 102 of the <i>Money Laundering Regulations</i>]	

Periodic fees payable by cryptoasset businesses registered under the Money Laundering Regulations

[Note: Regulation 102 of the *Money Laundering Regulations*]

(1) This table sets out the tariff base relating to the fee-block for *cryptoasset businesses* registered with the *FCA* under the *Money Laundering Regulations*. The tariff base in this Part is the means by which the *FCA* calculates the annual periodic fee payable to it by a *cryptoasset business* registered with the *FCA* under the *Money Laundering Regulations*.

Fee-block	Fee-payer	Tariff base	Valuation date
G.30	<i>Cryptoasset business</i> registered with the <i>FCA</i> under the <i>Money Laundering Regulations</i>	Annual income, as defined in FEES Appendix 4 Annex 3	The business's financial year ended in the calendar year ending 31 December before the start of the period to which the fee applies

(2) This table sets out the tariff rates applicable to *cryptoasset businesses* registered with the *FCA* under the *Money Laundering Regulations*.

Tariff rates in relation to 2023/24	
Fee payable	Amount payable
Minimum fee, payable by all <i>cryptoasset businesses</i>	£2,000
Variable fee, payable in addition to the minimum fee, on income above £100,000	£13.10 per £1,000 or part-£1,000

Definition of annual income for the calculation of fees

In this Annex, “cryptoasset” has the meaning given to it in regulation 14A(3)(a) of the *Money Laundering Regulations*.

Part 1 Definition of annual income

- (1) “Annual income” is the gross inflow of economic benefits (i.e. cash, receivables and other assets) recognised in the *cryptoasset business’s* accounts during the reporting year in respect of, or in relation to, the provision in the *United Kingdom* of the activities for which it is registered as a *cryptoasset business* under the *Money Laundering Regulations*.
- (2) The figure should be reported without netting off the operating costs or business expenses (except under (3) below), but should include:
 - (a) all brokerages, commissions, fees, and other related income (for example, administration charges, overrides, profit shares etc.) due to the *cryptoasset business* in respect of, or in relation to, the provision in the *United Kingdom* of the activities for which it is registered as a *cryptoasset business* under the *Money Laundering Regulations* and which it has not rebated to clients or passed on to other registered *cryptoasset businesses* (for example, where there is a commission chain).
PLUS:
 - (b) any ongoing commission from previous business received by the *cryptoasset business* during the reporting year.
PLUS:
 - (c) the “fair value” of any goods or services the *cryptoasset business* provided to clients. This is the commission equivalent or an estimate of the amount the *cryptoasset business* would otherwise have received, but for which it has made a business decision to waive or discount its charges.
- (3) The following deduction should be made:
 - (a) The cost of purchasing a cryptoasset which is subsequently sold. This is to ensure parity between businesses which derive their income from fees and those which derive their income from the margins on sales.

Part 2 Guidance on reporting income

Calculating annual income

- (1) For the avoidance of doubt, the only revenue streams reportable are those which relate to the activities for which the fee payer is registered as a *cryptoasset business* under the *Money Laundering Regulations*. Other revenue streams that do not relate to these activities should not be reported.
- Reporting period
- (2) The “reporting year” is the *cryptoasset business’s* financial year end during the calendar year prior to the *FCA fee year*. The *fee year* starts on 1 April.
 - (3) The income that should be submitted to the *FCA* is the income that was recognised in the accounts of the relevant reporting year. This means that some income due may not be reported until the following year because it has not yet been recognised in the accounts, while other income may be carried forward from previous years.

Fair value

(4) The *cryptoasset business* should report a “fair value” price for any services for which it has made a business decision not to charge to clients:

- (a) We consider fair value to refer to the amount at which goods or services could be exchanged in an arm’s length transaction between informed and willing parties, other than in a forced or liquidation sale.
- (b) For example, where a *cryptoasset business* has forgone or discounted the commission or fee it would actually have charged but for the business decision to grant a discount in a particular case or on a temporary basis, it should report the amount it would have otherwise have charged for providing equivalent activities.

Inclusions

(5) Annual income should include:

- (a) all amounts due to the *cryptoasset business* arising out of the provision of the activities for which it is registered as a *cryptoasset business* under the *Money Laundering Regulations*, including regular charges and instalments due to it during the reporting year;
- (b) any payment from a parent to facilitate the discounting or forgoing of any amounts that would otherwise be charged in full to a client, to the extent that the payment exceeds the “fair value” price reported in accordance with paragraph (4) above;
- (c) administrative charges and any interest from income related to the activities for which it is registered as a *cryptoasset business* under the *Money Laundering Regulations*.

Prohibited deductions

(6) Deductions should not be made for:

- (a) bad debts;
- (b) customer benefits such as cash rewards, complimentary travel insurance, air miles vouchers etc.;
- (c) items such as general business expenses (e.g. employees’ salaries and overheads);
- (d) fines or penalties levied against the *cryptoasset business*;
- (e) commission a *cryptoasset business* pays another party to arrange a transaction with a client unless it receives a fee in respect of the same transaction;
- (f) the difference (if positive) between the fee payable by a *cryptoasset business* to another party for arranging a transaction and the amount payable to the *cryptoasset business* by the end client in respect of that transaction (here, the *cryptoasset business* must net any excess payable by the end client to zero); and
- (g) payments made to clients by way of redress.

Exclusions

(7) The following should be excluded from the calculation of annual income:

- (a) The cost of purchasing cryptoassets which are subsequently sold – see Part 1 Note (3).
- (b) To avoid double-counting, amounts which have been passed on to other *cryptoasset businesses* registered under the *Money Laundering Regulations* may be excluded from the calculation of annual income, for example, where there is a commission chain. Transfers of income to other businesses may be especially common within *groups* where, to present a single interface to clients, all amounts due to the *group* may be collected by one business for subsequent redistribution to other businesses within the *group*. It is for *groups* themselves to decide the most convenient way to report such annual income - i.e. whether the business which receives the full amount should declare that full amount, or whether each business in the *group* should report its separate distribution.

- (c) Any payment from a parent to facilitate the discounting or forgoing of any amount that would otherwise be charged in full to a client should be excluded to the extent that the payment does not exceed or equal the "fair value" price reported in accordance with paragraph (4) above.
- (d) Rebates to customers and fees or commissions passed onto other *cryptoasset businesses* registered under the *Money Laundering Regulations*.

Apportioning annual income

- (8) Where a *cryptoasset business* cannot separate its income on the basis of activities, it may apportion the income on the basis of the proportionate split of business that the firm otherwise undertakes. For instance:
 - (a) A *cryptoasset business* may estimate the proportion of its business that is derived from activities for which it is registered as a *cryptoasset business* under the *Money Laundering Regulations* and split its income for individual invoices accordingly.
 - (b) If a *cryptoasset business* receives annual income from a platform-based business it may report this in line with a wider breakdown of its activities.
 - (c) A *cryptoasset business* may allocate ongoing commission from previous business on the basis of the type of business it receives the commission from. This avoids tracking back legacy business which may no longer match the provider's current business model.
 - (d) If a firm has invested income from the activities for which it has been registered as a *cryptoasset business* under the *Money Laundering Regulations*, then any interest received should be reported as income, in proportion to the volume of business it undertakes to avoid tracking back old payments.
- (9) It is for individual *cryptoasset businesses* to determine how they should calculate the appropriate split of income. The *FCA* is not prescriptive about the methodology. It requires only that:
 - (a) The approach should be proportionate - the *FCA* is looking for *cryptoasset businesses* to make their best efforts to estimate the split.
 - (b) The *cryptoasset business* must be able on request to provide a sound and clearly expressed rationale for its approach - for example, if all invoices were analysed over a particular period, it should be able to justify the period as representative of its business across the year.
 - (c) The methodology should be objective - for example, based on random sampling of invoices or random stratified sampling.
 - (d) The *cryptoasset business* must on request be able to provide an audit trail which demonstrates that the choice of methodology was properly considered at an appropriate level or in the appropriate forums within the business, and the decision periodically reviewed at the same level or in an equivalent forum.

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FEES TP 1 Transitional Provisions

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional Provision	(5) Transitional Provision: dates in force	(6) Handbook provision: coming into force
1.	FEES 3.2.7 R(p)	R	[expired]		
2.	FEES 4 Annex 1 R Part 3, Activity group A9 (operators, trustees and depositaries of collective investment schemes)	R	[expired]		
3.	FEES 4 Annex 1 R Part 3, Activity group A2		[expired]		
4.	FEES 4 Annex 1 R, Activity Group A.2		[expired]		
5.	[deleted]				
6.	FEES 6.3.1 R	R	The <i>FSCS</i> must not impose a <i>specific costs levy</i> or a <i>compensation costs levy</i> on a <i>Northern Ireland credit union</i> if that levy relates to a <i>claim</i> against a <i>relevant person</i> that was in <i>default</i> before <i>credit unions day</i> .	From 31 March 2012 indefinitely	For <i>Northern Ireland credit unions</i> 31 March 2012
7.	FEES 7 [FCA]	R	[expired]		

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FEES TP 2

Transitional provisions relating to changes to the FSCS levy arrangements taking effect in 2007/8 and in 2008/9

2.1		Treatment of balances as at 1 April 2008 [expired]
2.2		Split of business between life and pensions intermediation and investment intermediation [expired]
2.3		Incorrect information [expired]
2.4		Allocation of recoveries
2.4.1	R	Any recoveries made by the <i>FSCS</i> after 31 March 2008 in relation to <i>protected claims</i> compensated prior to 1 April 2008, the costs of which were allocated to the relevant contribution group in place at the time, must be credited to the <i>sub-class</i> in place after 31 March 2008 to which the costs of the <i>protected claim</i> would have been allocated had it been compensated after that date, or if relevant, in accordance with FEES 6.3.20 R.
2.4.2	R	FEES TP 2.4.1R does not apply to the extent that it is inconsistent with the <i>compensation transitionals order</i> .
2.5		Interpretation
2.5.1	R	In FEES TP 2 'contribution group' means one of the groups of participant firms within a sub-scheme in existence prior to 1 April 2008 set out in FEES 6.5.7 R at the time, being groups that carried on business of a similar nature, to which <i>compensation costs</i> and <i>specific costs</i> were allocated in accordance with FEES 6.4 and FEES 6.5 in force at the time. Sub-scheme means one of the sub-schemes to which <i>FSCS</i> allocated liabilities for <i>compensation costs</i> prior to 1 April 2008, as described in FEES 6.5.7 R at the time.
2.5.2	R	For the purpose of FEES 6.5.13 R as it applies with respect to the <i>financial year</i> of the <i>compensation scheme</i> beginning on 1 April 2008: <ol style="list-style-type: none"> (1) references in FEES 6.5.13 R to <i>sub-classes</i> must be read as references to <i>sub-classes</i> to which <i>firms</i> will belong after 31 March 2008; and (2) (where FEES TP provides for the tariff base for a <i>sub-class</i> to be calculated by reference to a contribution group prior to that date) FEES 6.5.13 R (1) must be read as also including a requirement for the supply of the necessary information in relation to that contribution group.
2.5.3	R	The amendments made to FEES 6.5.16 R by the Fees Manual (FSCS Funding) Instrument 2007 only have effect before 1 April 2008 for the purpose of the <i>financial year</i> of the <i>compensation scheme</i> beginning on 1 April 2008.
2.5.4	G	FEES 6 Annex 2 R and FEES 6 Annex 3 R (<i>classes</i> , <i>sub-classes</i> and tariff bases) are brought into force for the purpose of FEES TP and FEES 6.5.13 R in November 2007. However they do not have any other effect until 1 April 2008.
2.6		Past defaults
2.6.1	G	The changes made to the <i>levy rules</i> made by the Fees Manual (FSCS Funding) Instrument 2007 apply to any levy made after 31 March 2008. This is so even if: <ol style="list-style-type: none"> (1) the claim against the <i>firm in default</i> arose or relates to circumstances arising before that date; or (2) the <i>firm</i> was <i>in default</i> before that date. (3) [deleted]
2.7		Transitional provisions for changes to relieving provisions [expired]

2.8 Effect of the tariff base changes for the financial year beginning on 1 April 2009 before that date [expired]

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FEES TP 3

[deleted]

[deleted]

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FEES TP 4

Transitional provisions relating to information requirements following changes to FEES 4 or 5

4.1		Effect of changes to FEES 4 or 5 in relation to the supply of information to the <i>appropriate regulator</i>
4.1.1	R	This <i>rule</i> applies where any <i>rule</i> , or amendment to a <i>rule</i> , in FEES 4 or FEES 5 ("a FEES rule") has been made but will only come into force in relation to a future financial year of the <i>appropriate regulator</i> or <i>Financial Ombudsman Service</i> ("the future year"), as the case may be.
[FCA] [PRA]		
4.1.2	R	Unless another <i>rule</i> expressly disapplies this <i>rule</i> , a FEES rule has immediate effect for the supply of information under FEES 4.4 or FEES 5.4 in relation to that future year.
[FCA] [PRA]		
4.1.3	R	A reference in this <i>rule</i> to an <i>appropriate regulator</i> or <i>Financial Ombudsman Service</i> financial year is a reference to the 12 <i>months</i> ending 31 March.
[FCA] [PRA]		

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FEES TP 5

Transitional Provisions relating to the Special Project Fee for Restructuring

5.1		Special Project Fee for Restructuring applicable to circumstances before 1 July 2010
5.1.1	R	This <i>rule</i> relates to the changes to FEES 3 Annex 9 (Special Project Fee for restructuring) made by the Fees (Special Project Fee For Restructuring) (Amendment) Instrument 2010. It deals with a trigger event that occurred or started before 1 July 2010 (an "old trigger event") but which was of a type that was only brought into the definition of trigger event by that instrument. A trigger event means a circumstance or event of a type set out in paragraphs (2) or (6) of that Annex (events or circumstances that trigger liability for the Special Project Fee for restructuring).
[FCA] [PRA]		
5.1.2	R	An old trigger event is still a trigger event and thus triggers liability for the fee. However any regulatory work conducted before 1 July 2010 as a consequence of an old trigger event is not taken into account for the purposes of the calculation of the fee (including the floor in paragraph (8)(a) of FEES 3 Annex 9). Likewise any fees and disbursements invoiced to the <i>appropriate regulator</i> in respect of services performed for the <i>appropriate regulator</i> in relation to assisting the <i>appropriate regulator</i> in performing such regulatory work are not included to the extent that the invoice relates to the period before 1 July 2010.
[FCA] [PRA]		
5.1.3	G	For example, say that a <i>firm</i> goes into administration before 1 July 2010. Say that the administration did not come within the list of events that triggered liability for the fee before 1 July 2010. The fee is still potentially payable. However the fee will not cover work carried out by the <i>appropriate regulator</i> before 1 July 2010. The same applies even if the administration started before 1 June 2009, when the fee first came into force.
[FCA] [PRA]		

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FEES TP 7

Transitional provisions relating to changes to the FSCS levy arrangements taking effect in 2013/14

7.1	R	As at 31 March 2013, the <i>FSCS</i> must: <ol style="list-style-type: none">(1) allocate any surplus or deficit in the balance of an <i>FSA</i> activity group in respect of <i>base costs</i>, to the account of the corresponding <i>FCA</i> activity group as listed in FEES 4 Annex 1A R as at 1 April 2013; and(2) take that surplus or deficit (so allocated) into account when calculating the amount to be levied under FEES 6.4.5 R in respect of the <i>financial year</i> of the <i>compensation scheme</i> commencing on 1 April 2013.
7.2	R	For the purpose of FEES 6.5A.6 R, 'FEES 4 Annex 1A R' must be read as 'FEES 4 Annex 1 R' (as it was in force immediately before 1 April 2013) until the <i>regulatory costs</i> arising from the activity group in FEES 4 Annex 1A R have been determined. The <i>FSCS</i> may recalculate the liabilities once the <i>regulatory costs</i> arising from the activity group in FEES 4 Annex 1A R have been determined and credit or debit <i>participant firms</i> as appropriate.

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FEES TP 8 [deleted]

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FEES TP 9

Transitional arrangements in relation to amendments introduced by the Compensation Sourcebook (Investments by Large Unincorporated Associations and Certain Large Partnerships) Instrument 2013

9.1 Introduction

- 9.1.1 G *FEES* TP 9 deals with transitional arrangements relating to the calculation of *annual eligible income* under *FEES* 6.5.13 R in the light of the introduction of the Compensation Sourcebook (Investments by Large Unincorporated Associations and Certain Large Partnerships) Instrument 2013, which came into force on 13 December 2013 (the "Instrument").
- 9.1.2 G The definition of *annual eligible income* allows for it to be calculated in one of two ways from annual income: "(a) only include such annual income if it is attributable to business conducted with or for the benefit of *eligible claimants* and is otherwise attributable to compensatable business ["Method (a)"]; or (b) include all such annual income".

9.2 Scope

- 9.2.1 R *FEES* TP 9 applies to a participant firm providing a statement to the *FSCS* in accordance with *FEES* 6.5.13 R:
- (a) in respect of the *participant firm's* financial year ended in the year to 31 December 2013; and
- (b) which was a member of class C2, D1 and/or D2 in 2013; and
- (c) which states its total amount of business in relation to those classes based on a calculation of its *annual eligible income* using Method (a).

9.3 Firms whose financial years end in the period 1 January 2013 to 12 December 2013

- 9.3.1 G A *participant firm*, whose financial year ended in the period 1 January 2013 to 12 December 2013, does not need to include in its calculation of *annual eligible income* the annual income attributable to business conducted with or for the benefit of *eligible claimants* who only became *eligible claimants* as a result of the Instrument.

9.4 Firms whose financial years end in the period 13 to 31 December 2013

- 9.4.1 R A *participant firm*, whose financial year ended in the period 13 to 31 December 2013, may calculate its *annual eligible income* by any of the following methods:
- (a) include the annual income attributable to business conducted with or for the benefit of *eligible claimants* who only became *eligible claimants* as a result of the Instrument;
- (b) do not include the annual income attributable to business conducted with or for the benefit of *eligible claimants* who only became *eligible claimants* as a result of the Instrument; or
- (c) include only that part of the annual income attributable to business conducted with or for the benefit of *eligible claimants* who became *eligible claim-*

ants as a result of the Instrument that is attributable to the period from 13 December 2013 to the end of the *participant firm's* financial year.

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FEES TP 10

[deleted]

[deleted]

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FEES TP 11 Transitional Provisions for the Benchmarks Order 2015

11.1		Introduction	
11.1.1	G	(1)	FEES TP 11 deals with transitional arrangements for <i>firms</i> that will <i>administer specified benchmarks</i> by operation of the “Benchmarks Order 2015”.
		(2)	The “Benchmarks Order 2015” is the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2015 (SI 2015/369)
11.1.2	R		FEES TP 11 remains in force until all fees in FEES TP 11.2 have been paid in full.
11.2		Exceptional fee	
11.2.1	R		FEES TP 11.2 applies to a <i>firm</i> which:
		(1)	is treated as having its <i>permission</i> varied to include <i>administering a specified benchmark</i> under article 4 of the Benchmarks Order 2015; or
		(2)	meets the following criteria:
		(a)	its <i>permission</i> , before 1 April 2015, included <i>administering a specified benchmark</i> ;
		(b)	on 1 April 2015, it is administering more than one <i>specified benchmark</i> ; and
		(c)	it is not a <i>firm</i> in FEES TP 11.2.1R(1).
11.2.2	R		A <i>firm</i> in FEES TP 11.2.1R is treated as if:
			it had applied to carry on “ <i>administering a specified benchmark</i> ” under FEES 3.2.7R(ga)(ii) on 1 April 2015; and
			its due date for the payment of the relevant fee is 30 days after 1 April 2015.

Fees Manual

FEES TP 13

[deleted]

[deleted]

Fees Manual

FEES TP 14

Transitional provisions relating to FEES 4 for benchmark
administrators and recognised investment exchanges

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
14.1	FEES TP 4.1.2R and FEES 4.4	R	FEES TP 4.1.2R does not apply to changes to the requirements in <i>FEES on benchmark administrators and recognised investment exchanges</i> made by the Fees (Miscellaneous Amendments) (No 9) Instrument 2017. These amendments will have immediate effect for the supply of information under FEES 4.4 in relation to the <i>fee year</i> beginning 1 April 2017 and ending 31 March 2018.	From 1 April 2017	1 April 2017
14.2	FEES 4.4.2R	R	For the year ending 31 December 2016, rather than having to provide the <i>FCA</i> with the information required under FEES 4.4.1R within two <i>months</i> of the date specified as the valuation date in Part 5 of FEES 4	From 1 April 2017	1 April 2017

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
			Annex 1AR <i>benchmark administrators and recognised investment exchanges</i> are required to submit this information by 18 June 2017.		

Fees Manual

FEES TP 15 Transitional Provisions for the MiFID II Order

15.1	Introduction	
15.1.1	G	FEES TP 15 deals with transitional arrangements for applicants applying for <i>permissions</i> as introduced by the MiFID II Order.
15.2	Interpretation	
15.2.1	R	The “MiFID II Order” is the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2017 (SI 2017/488).
15.2.2	G	The MiFID II Order makes amendments to the Financial Services and Markets Act 2000 (Regulated Activities) Order (SI 2001/544) to transpose parts of <i>MiFID</i> . The MiFID II Order was brought into force on 1st April 2017, and enables the FCA to determine applications made under it.
15.3	Application	
15.3.1	R	(1) FEES TP 15.4.1R applies: <ul style="list-style-type: none"> (a) to a <i>person</i> who: <ul style="list-style-type: none"> (i) makes an application to the FCA for a <i>Part 4A permission</i> or an application for a variation of a <i>Part 4A permission</i> other than under article [15] of the MiFID II Order; and also (ii) makes an application to the FCA for a <i>Part 4A permission</i> or an application for a variation of a <i>Part 4A permission</i> under article 15 of the MiFID II Order; (b) where <ul style="list-style-type: none"> (i) applications under FEES TP 15.3.1R(1)(a)(i) and FEES TP 15.3.1R(1)(a)(ii) are made on the same date; or (ii) an application under FEES TP 15.3.1R(1)(a)(i) is made before an application under FEES TP 15.3.1R(1)(a)(ii); and (c) either: <ul style="list-style-type: none"> (i) the applications under FEES TP 15.3.1R(1)(a)(i) and FEES TP 15.3.1R(1)(a)(ii) are made on the same date; or (ii) an application under FEES TP 15.3.1R(1)(a)(i) is made before an application under FEES TP 15.3.1R(1)(a)(ii), where the following two conditions apply: <ul style="list-style-type: none"> (A) a draft of the application described in FEES TP 15.3.1R(1)(a)(ii) is received by the FCA before the date the MiFID II Order came into force; and (B) the applicant confirmed that the draft application can be treated as a formal application on or after the date that the MiFID II Order came into force.
15.3.2	G	FEES TP 15.4.1R does not apply to <i>dual regulated firms</i> which are <i>authorised</i> or have applied to become <i>authorised</i> by the PRA.
15.4	Calculation of fees payable under FEES 3.2.1R	

15.4.1	R	Where this <i>rule</i> applies, the fee payable under FEES 3.2.1R in respect of the application described under FEES TP 15.3.1R(1)(b) is any positive amount that results from the following calculation: (1) the fee payable under the application described under FEES TP 15.3.1R(1)(a)(ii); LESS (2) the fee paid for the application described under FEES TP 15.3.1R(1)(a)(i).
15.5		Transitional provisions: dates in force
15.5.1	R	FEES TP 15 will remain in force until 3 January 2018.

Fees Manual

FEES TP 16R Transitional Provisions for Market Data Processor System Connectivity Fees

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
16.1	FEES 3.2.7R Part 1 (1) (zx) and 1(1) (zy)	R	Where a <i>person</i> has applied to connect to the <i>market data processor system</i> prior to [3 July 2017] the onboarding fees as described in FEES 3.2.7R Part 1 (1) (zx) and 1(1) (zy) are payable in respect of the application and are due within 15 workings days of 3 July 2017.	From 3 July 2017	3 July 2017

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FEES TP 17R

Transitional provisions relating to the Payment Services Regulations 2017 and Electronic Money Regulations 2011

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional Provision	(5) Transitional Provision: dates in force	(6) Handbook provision: coming into force
Interpretation					
1.	FEES TP 17R	R	<p>In these transitional provisions:</p> <p>(1) References to the Payment Services Regulations 2017 are to the Payment Services Regulations 2017 (SI 2017/752); and</p> <p>(2) references to the Electronic Money Regulations 2011 are to the Electronic Money Regulations 2011 (SI 2011/99) as amended by the Payment Services Regulations 2017.</p>	From commencement	8 December 2017
Fees for authorisation and registration applications submitted prior to 13 January 2018					
2.	FEES 3 Annex 8	R	<p>If, prior to 13 January 2018, an applicant: submits an application for authorisation as an authorised payment institution under regulation 5 of the Payment Services Regulations 2017, the fee for that application will be the highest of the tariffs in (i) and (ii) below which apply to that application.</p> <p>(i) where the applicant is applying to provide the payment services in paragraph(s) (f) (money remittance) and/or (g) (payment initiation services) and/or (h) (account information services) of Part 1 of Schedule 1 to the Payment Services Regulations 2017 the fee is £1,500.</p> <p>(ii) where the applicant is applying to provide the payment services in any one or more of the following paragraph(s) of Part 1 of Schedule 1 to the Payment Services Regulations 2017, namely:</p> <p>(a) (enabling cash to be placed on payment account and all operations required for operating a payment account);</p>	From 8 December 2017 until 13 January 2018	N/A

			<p>(b) (enabling cash withdrawals from a payments account and all operations required for operating a payment account);</p> <p>(c) (execution of direct debts, payment transactions executed through a payment card or similar device, credit transfers);</p> <p>(d) (execution of payment transactions where the funds are covered by a credit line for the payment service user);</p> <p>(e) (issuing payment instruments or acquiring payment transactions)</p> <p>the fee is £5,000.</p> <p>This fee is due on or before the date the application is made.</p>		
3.	FEES 3 Annex 8	R	<p>Where an applicant submits an application for authorisation as an authorised payment institution under regulation 5 of the Payment Services Regulations 2017 prior to 13 January 2018 and that applicant intends to use agents there will be a fee of £3 for each agent registered with the FCA at the time of application.</p> <p>This fee is in addition to any fee due under FEES TP 17R(2)</p>	From 13 October 2017 until 13 January 2018	N/A
4.	FEES 3 Annex 8	R	<p>If, prior to 13 January 2018, an applicant submits an application to be registered as an account information service provider under regulation 17 of the Payment Services Regulations 2017 the fee for this application will be £1,500.</p> <p>This fee is due on or before the date the application is made.</p>	From 13 October 2017 until 13 January 2018	N/A
5.	FEES 3 Annex 8	R	<p>If, prior to 13 January 2018, an applicant submits an application for registration as a small payment institution under regulation 13 of the Payment Services Regulations 2017 the fee for that application will be £500.</p> <p>This fee is due on or before the date the application is made.</p>	From 13 October 2017 until 13 January 2018	N/A
6.	FEES 3 Annex 8	R	<p>Subject to paragraph 11 below, if, prior to 13 January 2018, an applicant submits an application to vary:</p> <p>(i) its authorisation under regulation 5 of the Payment Services Regulations 2017; or</p> <p>(ii) its registration under regulation 13 of the Payment Services Regulations 2017</p>	From 8 December 2017 until 13 January 2018	N/A

			<p>the fee is 50% of the highest of the tariffs set out in FEES TP17 which apply to that application.</p> <p>In cases where the variation involves only the reduction (and no increases) of the types of payment services to be carried on after the variation, no fee is payable.</p> <p>If a fee is payable this fee is due on or before the date the application is made.</p>		
Fees for re-authorisation and re-registration					
7.	FEES 3 Annex 8	R	<p>Where a <i>person</i> is treated as having made an application under regulation 150(4) of the Payment Services Regulations 2017 the fee for this application will be £750.</p> <p>This fee is due on or before the date the application is treated as having been made.</p>	From 13 October 2017 until 13 April 2018	N/A
8.	FEES 3 Annex 8	R	<p>Where a <i>person</i> makes an application under regulation 151(2) of the Payment Services Regulations 2017 the fee for this application will be £250.</p> <p>This fee is due on or before the date the application is made.</p>	From 13 October 2017 until 13 October 2018	N/A
9.	FEES 3 Annex 10	R	<p>Where a <i>person</i> makes or is treated as having made an application for re-authorisation under regulation 78A of the Electronic Money Regulations 2011 the fee for this application will be £750.</p> <p>This fee is due on or before the date the application is made or is treated as having been made.</p>	From 13 October 2017 until 13 April 2018	N/A
10.	FEES 3 Annex 10	R	<p>Where a <i>person</i> makes or is treated as having made an application for re-registration under regulation 78A of the Electronic Money Regulations 2011 the fee for this application will be £250.</p> <p>This fee is due on or before the date the application is made or is treated as having been made.</p>	From 13 October 2017 until 13 October 2018	N/A
Fees for variation of authorisation applications submitted prior to 13 January 2018					
11.	FEES 3 Annex 8	R	<p>If, prior to 13 January 2018, an applicant submits an application to vary its authorisation under regulation 5 of the Payment Services Regulations 2017 so as to be able to provide one or both of the payment services in paragraphs (g) (payment initiation services) and (h) (account information services) of Part 1 of Schedule 1 to those Regulations, the applicant will be required to pay an additional fee within one month of 13 January 2018. That addi-</p>	From 8 December 2017 until 13 January 2018	N/A

12.	FEES 3 Annex 10	R	<p>tional fee is the difference in the fee payable at the date of the application and the fee payable for such an application made on or after 13 January 2018.</p> <p>If, prior to 13 January 2018, an applicant: submits an application to vary its authorisation under regulation 8 of the Electronic Money Regulations 2011 so as to be able to provide one or both of the payment services in paragraphs (g) (payment initiation services) and (h) (account information services) of Part 1 of Schedule 1 to Payment Services Regulations 2017, the applicant will be required to pay an additional fee within one month of 13 January 2018. That additional fee is the difference in the fees payable at the date of the application and the amount payable for such an application made on or after 13 January 2018.</p>	From 8 December 2017 until 13 January 2018	N/A
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FEES TP 17A

Transitional provisions for fees relating to benchmark administrators

(1)	(2) Material provision to which transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
17A.1	FEES 3.2.7R Part 1 (1) (zza) and FEES 3 Annex 1R	R	<p>Where a <i>person</i>:</p> <p>(a) has authorisation to carry on the <i>regulated activity</i> of administering a <i>specified benchmark</i> (in accordance with article 63O(1)(b) of the <i>Regulated Activities Order</i>) on 29 June 2018;</p> <p>and</p> <p>(b) applies for authorisation to carry on the <i>regulated activity</i> of administering a <i>benchmark</i> specified in article 63S of the <i>Regulated Activities Order</i> on or after 29 June 2018,</p> <p>the application fee payable in respect of its application (b) above, as set out in FEES 3 Annex 1R, will be discounted by the amount paid in respect of its initial ap-</p>	From 29 June 2018	29 June 2018

(1)	(2) Material provision to which transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
17A.2	FEES 4 Annex 1AR, FEES 4 Annex 2AR and FEES 4 Annex 11AR	R	<p>plication under (a).</p> <p>If the fee payable in respect of application (b) is lower than that which was paid for the application made in respect of (a), no refund is available.</p> <p>These rules as in force from 29 June 2018 apply to a <i>person</i> who has <i>authorisation</i> to carry on the <i>regulated activity</i> of <i>administering a specified benchmark</i> (a <i>benchmark administrator</i>) as if a reference in these <i>rules</i> to a <i>regulated benchmark administrator</i> were a reference to a <i>benchmark administrator</i> until that <i>person</i> becomes <i>authorised</i> under the <i>benchmarks regulation</i>, or ceases to be <i>authorised</i> as a <i>benchmark administrator</i>.</p>	From 29 June 2018	29 June 2018

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FEES TP 18

Transitional provisions relating to changes to the FSCS levy
arrangements taking effect in 2018/19

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook pro- visions coming into force
Reporting requirements					
18.1	FEES 6.5.13R	R	For the purposes of statements provided by <i>participant firms</i> under FEES 6.5.13R before 1 April 2018 and with respect to the <i>financial year</i> of the <i>compensation scheme</i> beginning on 1 April 2018, references in FEES 6.5.13R to <i>classes</i> must be read as references to <i>classes</i> to which <i>firms</i> will belong after 31 March 2018; and references to tariffs must be read as references to tariffs as in force after 31 March 2018.	From 30 October 2017 to 31 March 2018	1 April 2018
Managing investments in relation to structured products					
18.2	FEES 6 Annex 3AR	R	Any reference to <i>managing investments</i> in FEES 6 Annex 3AR shall not include <i>managing investments</i> in relation to <i>structured deposits</i> before 1 April 2018.	From 3 January 2018 to 31 March 2018	1 April 2018
Matters arising before 1 April 2018					
[18.3 to follow from 1 April 2018]					
18.3	The changes made to FEES 6 by the Financial Services Compensation Scheme (Funding and	R	The changes in column (2) apply to any levy made after 31 March 2018. This is so even if: (1) the claim against the <i>relevant person</i>	From 1 April 2018 indefinitely	1 April 2018

	Scope) Instru- ment 2017		or successor in de- fault arose or relates to circumstances aris- ing before that date; or (2) the <i>relevant per- son or successor</i> was in <i>default</i> before that date.		
2017/18 financial year: compensation levies					
18.4	FEES 6.3.1R(3), 6.1.6G, and 6.1.14G	R	In relation to an in- terim <i>compensation costs levy</i> within the 2017/18 financial year of the <i>com- pensation scheme</i> , the <i>FSCS</i> must take into account the <i>FSCS's</i> expenditure in respect of <i>compensa- tion costs</i> expected in the period until 30 June 2018 instead of expenditure ex- pected in the periods in the provisions in column (2).	From 23 Febru- ary 2018 to 31 March 2018	Already in force
2018/19 financial year: levies and levy limits					
18.5	FEES 6.3.1R(3), 6.1.6G and 6.1.14G	R	In relation to a <i>com- pensation costs levy</i> for the 2018/2019 fi- nancial year of the <i>compensation scheme</i> , the <i>FSCS</i> must take into account: (1) the <i>FSCS's</i> expend- iture in respect of <i>compensation costs</i> expected between 1 July 2018 and 31 March 2019; or, if greater (2) 75% of one third of the <i>compensation costs</i> expected in the 36 <i>months</i> following 1 April 2018, instead of expendit- ure expected in the periods in the provi- sions in column (2).	From 1 April 2018 to 31 March 2019	Amended from 1 April 2018
18.6	FEES 6.3.5R, 6.5A.1R, 6.5A.4R, 6.5A.5R, 6 An	R	In the 2018/19 finan- cial year of the <i>com- pensation scheme</i> , the maximum ag-	From 1 April 2018 to 31 March 2019	Amended from 1 April 2018

	Annex 2R, and 6 Annex 5R		Aggregate amount of <i>compensation costs</i> and <i>specific costs</i> that may be allocated to a particular <i>class</i> , whether directly or (where relevant to that <i>class</i>) through the <i>retail pool</i> , is: (1) 75% of the amount of the limit for each <i>class</i> as set out in FEES 6 Annex 2R; and (2) for <i>FCA provider contribution classes</i> , 75% of the amount of the <i>retail pool</i> levy limit for each <i>class</i> as set out in FEES 6 Annex 5R.		
18.7	FEES 6.3.1R(3), 6.1.6G and 6.1.14G, 6.3.5R, 6.5A.1R, 6.5A.4R, 6.5A.5R, 6 Annex 2R, and 6 Annex 5R	R	TP 18.5 and 18.6 do not apply in respect of levies imposed on the debt management claims <i>class</i> .	From 1 April 2018 to 31 March 2019	From 1 April 2018 to 31 March 2019
18.8	FEES 6.7.-1R	R	FEES 6.7.-1R does not apply to levies imposed in the 2018/2019 financial year of the <i>compensation scheme</i> .	From 1 April 2018 to 31 March 2019	Amended from 1 April 2018

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FEES TP 19

Transitional provisions relating to statements provided by participant firms before 1 April 2019 with respect to the FSCS 2019/20 financial year

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provisions coming into force
19.1	FEES 6.5.13R	R	For the purposes of statements provided by <i>participant firms</i> under FEES 6.5.13R before 1 April 2019 and with respect to the <i>financial year</i> of the <i>compensation scheme</i> beginning on 1 April 2019, references in FEES 6.5.13R to <i>classes</i> must be read as references to <i>classes</i> and <i>categories</i> to which <i>firms</i> will belong after 31 March 2019; and references to tariffs must be read as references to tariffs as in force after 31 March 2019.	From 2 May 2018 to 31 March 2019	1 April 2019

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FEES TP 19A

Transitional provisions relating to the payment of fees in 2019/20, taking effect on 14 March 2019

These transitional provisions will apply to **professional body supervisors** only for the 2019/2020 fee year.

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
19A.1	FEES App 2.3.9	R	The fees payable for the 2019/2020 fee year, will be calculated based on the data submitted by a professional body supervisor for the 2018/2019 fee year.	From 14 March 2019	14 March 2019

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FEES TP 20

Transitional provisions relating to the Temporary Permissions
regime for Claims Management Companies, taking effect on 1
January 2019

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
Periodic fee transitional provisions					
20.1	FEES TP 20	G	<p>(1) This transitional provision applies to <i>claims management companies</i>.</p> <p>(2) <i>Claims management company</i> is defined in the <i>Glossary</i> as a <i>person</i> carrying on a <i>regulated claims management activity</i> in <i>Great Britain</i>.</p> <p>(3) <i>Regulated claims management activity</i> is in turn defined as comprising various individual <i>regulated activities</i> which are defined in the <i>Glossary</i> by reference to the <i>regulated activities</i> in articles 89G to 89M of the <i>Regulated Activities Order</i>. All of the <i>Glossary</i> definitions above come into force on 1 January 2019.</p> <p>(4) The <i>regulated activities</i> in articles 89G to 89M of the <i>Regulated Activities Order</i> were added to the <i>Regulated Activities Order</i> by the <i>Claims Management Order</i>. That Order comes into force for most purposes on 1 April 2019. However, it came into force on 29 November 2018 for various purposes including:</p> <p>(a) for the purpose of enabling the <i>FCA</i> to make <i>rules</i>, give guidance, impose requirements, make directions, and approve <i>rules</i>;</p> <p>(b) for the purpose of enabling the <i>scheme operator</i> to</p>	1 January 2019	1 January 2019

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
20.2	FEES 4 Annex 1A	R	<p>do various things including making <i>rules</i> and standard terms.</p> <p>(5) That means that, for the purposes of the definition of <i>claims management company</i> and the related <i>Glossary</i> definitions (including the definitions of <i>regulated claims management activity</i> and the related <i>regulated activities</i>) in this instrument, the references to the <i>Regulated Activities Order</i> are references to that Order as amended by the <i>Claims Management Order</i>.</p> <p><i>Claims management companies</i> registering for temporary permission must pay the periodic fee for the 2019/20 year within 14 days of the date of the invoice, which will be issued following registration. The periodic fee for 2019/20 will be calculated from the <i>firm's</i> annual turnover.</p> <p>"Turnover" means the sum of the amounts paid to, or received by, a <i>claims management company</i> in respect of <i>regulated claims management activities</i>, including:</p> <p>(a) charges, commission, the share of any compensation, fees and subscriptions;</p> <p>(b) the monetary value of any services received by the <i>claim management company</i> where it makes no payment for those services or where the payment received is worth less than the monetary value of the services; and</p> <p>(c) the monetary value of any advertising in respect of the <i>claims management company</i> that it has not paid for out of funds referred to in sub-paragraphs (a) and (b). "Annual turnover" means:</p> <p>(d) the <i>claims management company's</i> turnover for the 12 <i>months</i> to 30 November 2017; or</p>	1 January 2019	1 January 2019

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
20.3	FEES 5.7.1	R	<p>(e) if the business did not trade for the full 12 <i>months</i> to 30 November 2017, the estimated turnover for the 12 <i>months</i> to 30 November 2018; or</p> <p>(f) where the application for authorisation by the Claims Management Regulator was made on or after 30 November 2017, the estimated turnover for the 12 <i>months</i> to 30 November 2018.</p> <p><i>Firms</i> must also notify the FCA of any turnover arising from business in Scotland, or business conducted under section 75 of the CCA.</p> <p>Transitional provision for FOS general levy</p> <p><i>Claims management companies</i> applying for authorisation for the 2019/20 financial year must pay the <i>FOS general levy</i> on or before the later of 1 April 2019 and 30 calendar days after the date when the invoice is issued by the FCA. The general levy for claims management companies will be calculated at £50 plus £3.00 per £1,000 of annual income.</p> <p>“Income” is defined in FEES 5 Annex 4R and means the sum of the amounts paid to, or received by, a <i>claims management company</i> in respect of <i>regulated claims management activities</i>, including:</p> <p>(a) charges, commission, the share of any compensation, fees and subscriptions;</p> <p>(b) the monetary value of any services received by the <i>claims management company</i> where it makes no payment for those services or where the payment received is worth less than the monetary value of the services; and</p> <p>(c) the monetary value of any advertising in respect of the <i>claims management company</i> that it has not paid for</p>	1 January 2019	1 January 2019

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
20.4	FEES 5.8.1	R	<p>out of funds referred to in sub-paragraphs (a) and (b). "Annual income" means:</p> <p>(d) the <i>claims management company's</i> turnover for the 12 <i>months</i> to 30 November 2017; or</p> <p>(e) if the business did not trade for the full 12 <i>months</i> to 30 November 2017, the estimated turnover for the 12 <i>months</i> to 30 November 2018; or</p> <p>(f) where the application for authorisation by the Claims Management Regulator was made on or after 30 November 2017, the estimated turnover for the 12 <i>months</i> to 30 November 2018.</p> <p><i>Firms</i> must also notify the <i>FCA</i> of any turnover arising from business in Scotland, or business conducted under section 75 of the <i>CCA</i>.</p> <p>Joining the Financial Ombudsman Service</p>	1 January 2019	1 January 2019
			<p>For <i>claims management companies</i> applying for authorisation in the 2018/19 financial year, this rule does not apply to those <i>firms</i> which have paid in full upon registration but are not authorised until part way through the <i>financial year</i>.</p>		

Transitional provisions relating to changes to the FSCS levy arrangements taking effect in 2019/20

FEES TP 20A

Transitional provisions relating to changes to the FSCS levy arrangements taking effect in 2019/20

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Trans- itional pro- vision: dates in force	(6) Hand- book provi- sions com- ing into force						
20A.1	The changes made to FEES 6 by the Financial Services Compensation Scheme (Funding Review) Instrument 2018	R	The changes in (2) apply to any levy made after 31 March 2019. This is so even if: (1) the claim against the <i>relevant person</i> or <i>successor in default</i> arose or relates to circumstances arising before that date; or (2) the <i>relevant person</i> or <i>successor was in default</i> before that date.	From 1 April 2019 indefinitely	1 April 2019						
20A.2	FEES 6.3.19R FEES 6.3.20R	R	Allocation of recoveries Any recoveries made by the FSCS after 31 March 2019 in relation to <i>protected claims</i> , the costs of which were allocated prior to 1 April 2019 to a <i>class</i> in place at the time, including, if relevant, through the <i>retail pool</i> in place at the time, must be credited to the corresponding <i>class</i> in accordance with the following table: <table border="1"> <thead> <tr> <th>Class in place before 1 April 2019</th> <th>Corresponding class</th> </tr> </thead> <tbody> <tr> <td>B2 (General Insurance Distribution)</td> <td>Class 1 (General Insurance Distribution Claims)</td> </tr> <tr> <td>H (Insurers – general</td> <td></td> </tr> </tbody> </table>	Class in place before 1 April 2019	Corresponding class	B2 (General Insurance Distribution)	Class 1 (General Insurance Distribution Claims)	H (Insurers – general		From 1 April 2019 indefinitely	1 April 2019
Class in place before 1 April 2019	Corresponding class										
B2 (General Insurance Distribution)	Class 1 (General Insurance Distribution Claims)										
H (Insurers – general											

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Trans- itional pro- vision: dates in force	(6) Hand- book provi- sions com- ing into force	
			con- tribution) C2 (Life dis- tribution and pen- sions inter- mediation) D2 (Invest- ment inter- mediation) G (In- surers – life con- tribution) D1 (Invest- ment provision) E2 (Home finance in- ter- mediation) I (Home fin- ance provision) K (Debt manage- ment claims) F (deposit acceptor's con- tribution)	<i>Class 2</i> (Invest- ment Inter- mediation Claims) <i>Class 3</i> (Invest- ment Provi- sion Claims) <i>Class 4</i> (Home Finance In- termediation Claims) <i>Class 5</i> (Debt Management Claims) <i>Class 6</i> (De- posit ac- ceptors' con- tribution)		
20A.3	FEES 6.3.14R	R	Allocation of surplus/deficit The <i>FSCS</i> must allocate any surplus or deficit in a <i>class</i> in place on 31 March 2019 to the corresponding class in FEES TP 20A.2R.	From 1 April 2019 indefinitely	1 April 2019	
20A.4	FEES 6.3.17R	R	Management of funds In relation to <i>classes</i> C2 and D2 as existing before 1 April 2019, where: (1) the <i>FSCS</i> has used money, in accordance with FEES 6.3.17R, held to the credit of one of the above <i>classes</i> (the creditor class) to pay <i>compensation costs</i> or <i>specific costs</i> attributable or alloc-	From 1 April 2019 indefinitely	1 April 2019	

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provisions coming into force
			<p>ated by way of levy to the other of those <i>classes</i> (the debtor class); and</p> <p>(2) on 31 March 2019 the creditor class is not yet reimbursed by the debtor class;</p> <p>the FSCS must ensure that the debtor class pays interest to the creditor class under FEES 6.3.17R(2)(b) for the period up to 1 April 2019 and no later.</p>		

Transitional provisions relating to FSCS levy arrangements from 1 April 2019 or, if later, from exit day as defined in the European Union (Withdrawal) Act 2018

FEES TP 21

Transitional provisions relating to FSCS levy arrangements from IP completion day

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provisions coming into force
21.1	The changes made to FEES 6 by the Exiting the European Union: High Level Standards (Amendments) Instrument 2019	R	The changes in column (2) apply to any levy made after IP completion day. This is even if: (1) the <i>claim</i> against the <i>relevant person</i> or <i>successor in default</i> arose or relates to circumstances arising before that date; or (2) the <i>relevant person</i> or <i>successor</i> was <i>in default</i> before that date.	From <i>IP completion day</i> , indefinitely	<i>IP completion day</i>

Transitional provisions relating to FSCS levy arrangements for TP firms from 1 April 2019 or, if later, exit day

FEES TP 22

Transitional provisions relating to FSCS levy arrangements for TP firms from IP completion day

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
22.1	FEES 6.5.9R	R	The rule referred to in column (2) does not apply to <i>TP firms</i> .	From <i>IP completion day</i> , indefinitely	<i>IP completion day</i>
22.2	FEES TP 22.1R	G	FEES TP 22.1R means that a <i>TP firm</i> that becomes a <i>participant firm</i> part way through a <i>financial year</i> of the <i>compensation scheme</i> will be required to pay a share of a <i>compensation costs levy</i> and a <i>specific costs levy</i> .		
22.3	The changes made to FEES 6 by the Exiting the European Union: Temporary Permission and Financial Services Contracts Instrument 2019	R	The changes in (2) apply to any levy made after <i>IP completion day</i> . This is so even if: (1) the <i>claim</i> against the <i>relevant person</i> or <i>successor in default</i> arose or relates to circumstances arising before that date; or (2) the <i>relevant person</i> or <i>successor</i> was <i>in default</i> before that date.	From <i>IP completion day</i> , indefinitely	<i>IP completion day</i>

Transitional provisions relating to FSCS levy arrangements for TP firms from 1 April 2019 or, if later, exit day

FEES TP 23

Transitional provisions for a data reporting services provider that was an incoming data reporting services provider prior to IP completion day

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
23.1	FEES 4 Annex 11R Part 5 R G.25		<p>Where:</p> <p>(1) a <i>data reporting services provider</i> was deemed to be authorised under the <i>DRS Regulations</i> by regulation 12A of those regulations;</p> <p>(2) the <i>data reporting services provider</i> has paid the periodic fee specified in FEES 4 Annex 11R Part 5 G.25 in full for the period from 1 April 2021 to 31 March 2022; and</p> <p>(3) following payment of that fee, a <i>UK company</i> in the same <i>group</i> as the data reporting services provider becomes authorised under regulation 7 of the <i>DRS Regulations</i>,</p> <p>the <i>UK company</i> will not be required to pay a fee under FEES 4 Annex 11R Part 5 G.25 for the period from 1 April 2021 to 31 March 2022.</p>	From 1 April 2021	1 July 2021

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Schedule 1 [to follow]

Sch 1 G
[to follow]

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Schedule 2 [to follow]

Sch 2 G
[to follow]

Fees Manual

Schedule 3 [to follow]

Sch 3 G
[to follow]

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Schedule 4 Powers exercised

Sch 4.1 G
[deleted]

Sch 4.2 G
[deleted]

Sch 4.3 G
[deleted]

Sch 4.4 G
[deleted]

Sch 4.5 G
[deleted]

Sch 4.5

[**Note:** certain rules in *FEES* are made exclusively by the *FOS Ltd*. A list of those rules is set out in ■ FEES 5.1.2AG.]

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Schedule 5 [to follow]

Sch 5 G
[to follow]

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Schedule 6 Rules that can be waived

Sch 6.1 G

As a result of section 138A of the *Act* (Modification or waiver of rules) the *FCA* has power to waive all its *rules*, other than *rules* made under section 137O (threshold condition code), section 247 (Trust scheme rules), section 248 (Scheme particular rules), section 261I (Contractual scheme rules) or section 261J (Contractual scheme particulars rules) of the *Act*.

