

Fees Manual

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 FSCS after 31 March 2008 in relation to *protected claims* 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 *sub-class* in place after 31 March 2008 to which the costs of the *protected claim* 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 *compensation transitionals order*.
- 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 *compensation costs* and *specific costs* 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 FSCS allocated liabilities for *compensation costs* 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 *financial year* of the *compensation scheme* beginning on 1 April 2008:
- (1) references in FEES 6.5.13 R to *sub-classes* must be read as references to *sub-classes* to which *firms* will belong after 31 March 2008; and
 - (2) (where FEES TP provides for the tariff base for a *sub-class* 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 *financial year* of the *compensation scheme* beginning on 1 April 2008.
- 2.5.4 G FEES 6 Annex 2 R and FEES 6 Annex 3 R (*classes, sub-classes* 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 *levy rules* made by the Fees Manual (FSCS Funding) Instrument 2007 apply to any *levy* made after 31 March 2008. This is so even if:
- (1) the claim against the *firm in default* arose or relates to circumstances arising before that date; or
 - (2) the *firm* was *in default* 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]