

Chapter 3

Application, Notification and Vetting Fees

Fees payable for a permission or guidance on its availability in connection with the EU CRR

Part 1

Fees payable in relation to *internal approaches* that require permission under Part Three of the *EU CRR* other than the internal model method for counterparty credit risk.

(1) Subject to (3), for applications made to the FCA to authorise a new *internal approach*:

(i) where the application relates to *IFPRU investment firms*

and to five or more significant overseas entities within the same group (Group 1) and the application is for a permission to use one of the internal approaches in Tables 1 or 2 or guidance on the availability of such a permission, the fees in Table 1 are applicable; and

(ii) for all other *IFPRU investment firms* the fees in Table 2 are applicable.

(2) [deleted]

(3) If however the application or request for assistance is in relation to the use of the Advanced IRB approach and the FCA (in the case of (1)) has already granted permission for the use of the Foundation IRB approach then Table 3 applies.

(4) References to the *internal approaches* in Tables 1, 2 and 3 are to be construed as follows:

(i) Foundation IRB means the internal approach for credit risk referred to in article 143(1) of the *EU CRR*;

(ii) Advanced IRB means the internal approach for credit risk referred to in article 151(4) and (9) of the *EU CRR*; and

(iii) AMA means the internal approach for operational risk referred to in article 312(2) of the *EU CRR*.

(5) All fees are shown in £.

Table 1

Application group	Description of group	Application fee		
		Advanced IRB ('000)	Foundation IRB ('000)	AMA ('000)
Group 1	Five or more significant overseas entities as described in more detail in the definition of Group 1 in the introduction to Part 1 of this Annex	268	232	181

Table 2

Application group	Description of Group		Application fee		
	Modified eligible liabilities (m)	Number of traders as at 31 December prior to the <i>FCA's</i> fee year in which the fee is payable	Advanced IRB ('000)	Foundation IRB ('000)	AMA ('000)
Group 2	>40,000	>200	232	198	146
Group 3	>5,000 - 40,000	26 - 200	94	72	51
Group 4	0-5,000	0 - 25	42	30	24

(1) For the purposes of Table 2, a *firm's* A.1 or A10 tariff data for the relevant period will be used to provide the value of modified eligible liabilities or number of traders.

Table 3 (Advanced IRB approach where the *FCA* or consolidating supervisor has already given permission to use Foundation IRB)

Application group	Advanced IRB Application fee
Group 1	67,000
Group 2	58,000
Group 3	23,500
Group 4	10,500

The four application groups have the same meaning as they do in Tables 1 and 2.