

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*.
- 5.1.2** **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]
- 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.

Exemption

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.

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.

5.1.8 G