

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, 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 (as at the date specified in Part 2 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 as soon as reasonably practicable after the date specified as the review date in ■ FEES Appendix 2 Annex 2, and in any event within two **months** of that date.

[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 within two **months** of the review date specified in ■ FEES Appendix 2 Annex 2, the **FCA** may use the information provided by the **professional body supervisor** under Regulation 51 and Schedule 4 to the **MLR** or Regulation 7 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 for the period 1 April 2019 to 31 March 2020

[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 within two **months** of the date shown in this table.

D.2 Professional body supervisors	The number of supervised individuals (calculated in accordance with Part 1) as at [tbc] before the relevant fee year .
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Part 3

This table sets out the tariff rates applicable to **professional body supervisors**.

Fee payable in relation to 2018/2019	Amount payable (£)
Minimum fee, payable by all professional body supervisors subject to the OPBAS Regulations .	£5000
Variable fee, payable by professional body super-	£[tbc] multiplied by the total number of super-

Fee payable in relation to 2018/2019	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: references 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 .

