

Fees Manual

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.