

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.