

APPLICATION FEES (2004/2005) INSTRUMENT 2004

Powers exercised

- A. The Financial Services Authority makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 156 (General supplementary powers);
 - (2) section 157(1) (Guidance); and
 - (3) paragraph 17(1) of Schedule 1 (Fees).
- B. The rule-making powers listed above are specified for the purpose of section 153(2) of the Act (Rule-making instruments).

Commencement

- C. This instrument comes into force on 1 April 2004.

Amendments to the Handbook

- D. (1) The Authorisation manual (AUTH) is amended in accordance with Annex A to this instrument.
- (2) The Collective Investment Schemes sourcebook (CIS) is amended in accordance with Annex B to this instrument.
- (3) The Professional firms sourcebook (PROF) is amended in accordance with Annex C to this instrument.
- (4) The Recognised Investment Exchanges and Recognised Clearing Houses sourcebook (REC) is amended in accordance with Annex D to this instrument.

Citation

- E. This instrument may be cited as the Application Fees (2004/2005) Instrument 2004.

By order of the Board
18 March 2004

Annex A

Amendments to the Authorisation manual

In this Annex underlining indicates new text and striking through indicates deleted text. Where an entire new section of text is being inserted, the place where it goes is indicated and it is not underlined.

4.1.5G Most of the detail of what fees are payable by applicants and *Treaty firms* is set out in *AUTH 4 Annex 1R*, ~~the provisions of which will vary from one financial year to another. Accordingly a fresh *AUTH 4 Annex 1R* will come into force, following consultation, for each financial year.~~

Insert new AUTH 4 Ann 1R:

Authorisation fees payable

Part 1 – Authorisation fees payable

Application type (see Part 2)	Amount payable
(a) <i>Credit unions</i> – registration of common bond	£200
(b) <i>Version 1 credit unions</i> - authorisation	£300
(c) <i>Version 2 credit unions</i> - authorisation	£1,800
(d) Straightforward	£1,500
(e) Moderately complex	£5,000
(f) Complex	£25,000

Part 2 – Complexity Groupings

Straightforward cases

Activity grouping	Description
A.3	<i>Friendly societies</i> only
A.4	<i>Friendly societies</i> only
A.12	Advisory arrangers, dealers or brokers (holding or controlling <i>client money</i> and/or assets)
A.13	Advisory only firms and advisory arrangers, dealers or brokers (not holding or controlling <i>client money</i> and/or assets)
A.14	Corporate finance advisers

Moderately complex cases

Activity grouping	Description
A.1	<i>E-money issuers only</i>
A.5	<i>Managing agents at Lloyd's</i>
A.7	Fund managers
A.9	<i>Operators, trustees and depositaries of collective investment schemes</i>
A.10	<i>Firms dealing as principal</i>
B.	<i>Service companies</i>

Complex cases

Activity grouping	Description
A.1	<i>Deposit acceptors (excluding e-money issuers and credit unions)</i>
A.3	<i>Firms conducting insurance activities subject only to prudential regulation (excluding friendly societies)</i>
A.4	<i>Firms conducting insurance activities subject to both prudential and conduct of business regulation (excluding friendly societies)</i>

Part 3 – Variation of permission fees

The fee payable under *SUP* 6.3.22R is 50% of that payable under *AUTH* 4.2.2R.

There are no circumstances specified for the purposes of *SUP* 6.3.22R(2).

Part 4 – Authorisation fees for Treaty firms

If the *Treaty firm* wishes to undertake the permitted activities in question through its branch in the *United Kingdom*, the fee is 50% of the fee that would be payable under *AUTH* 4.2.2R.

If the *Treaty firm* wishes to undertake the permitted activities in question by providing services in the *United Kingdom*, the fee is 25% of the fee which would be payable under *AUTH* 4.2.2R.

Part 5 – Activity groupings

The activity group definitions are set out in *SUP* 20 Ann 1R.

Part 6 – Application for a certificate under article 54 of the Regulated Activities Order

The amount payable in relation to each application is £2,000.

Annex B

Amendments to the Collective Investment Schemes sourcebook

In this Annex underlining indicates new text and striking through indicates deleted text. Where an entire new section of text is being inserted, the place where it goes is indicated and it is not underlined.

18.3.1R The *person* identified in ~~Part A of CIS 18 Ann 1R~~ CIS 18 Ann 2R as the "relevant fee payer" must pay each fee applicable to any application or notification as specified in ~~part A of CIS 18 Ann 1R~~ CIS 18 Ann 2R.

18.3.2R The relevant fee payer must pay a fee identified in ~~Part A of CIS 18 Ann 1R~~ CIS 18 Ann 2R on or before the date on which the relevant application or notification is made.

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18.3.4R A fee identified in ~~Part A of CIS 18 Ann 1R~~ CIS 18 Ann 2R must be paid by bankers draft, cheque or other payable order.

Insert new CIS 18 Ann 2R:

Application and notification fees payable

Table

Legislative provision	Nature and purpose of fee	Payable by	Amount of fee	Umbrella scheme factor (note 1)
Regulation 12 of the <i>OEIC Regulations</i>	On application for an order declaring a <i>scheme</i> to be an <i>ICVC</i>	An applicant (note 2)	£1,200	2
Section 242 of the <i>Act</i>	On application for an order declaring a <i>scheme</i> to be an <i>AUT</i>	An applicant (note 2)	£1,200	2
Section 264 of the <i>Act</i>	On giving notice under section 264 of the <i>Act</i>	The <i>operator</i> (note 3)	£600	2
Section 270 of the <i>Act</i>	On giving notice under section 270 of the <i>Act</i>	The <i>operator</i> (note 3)	£600	2
Section 272 of the <i>Act</i>	On application for an order declaring a <i>scheme</i> to be an individually recognised overseas <i>scheme</i>	An applicant (note 2)	£14,000	2

Notes:

1. For an *umbrella scheme* the fee is multiplied by the factor shown in the final column of the table.
2. The fee must accompany the application.
3. The fee must accompany the notice.

Annex C

Amendments to the Professional firms sourcebook

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6.3.1R Any *person* who requests the Treasury to make an order under section 326(1) of the *Act* (Designation of professional bodies) must pay to the *FSA* the sum specified in ~~*PROF 6 Ann 1R*~~ *PROF 6 Ann 2R* 30 days after the order is granted.

Insert new PROF 6 Ann 2R:

Fees payable for an order under section 326(1) of the Financial Services and Markets Act 2000

Table

Nature and purpose of fee	Amount payable	Due date
Any <i>person</i> seeking an order under section 326(1) of the <i>Act</i> (Designation of professional bodies)	£5,000	30 days after the order is granted

Annex D

Amendments to the Recognised Investment Exchanges and Recognised Clearing Houses sourcebook

In this Annex underlining indicates new text and striking through indicates deleted text. Where an entire new section of text is being inserted, the place where it goes is indicated and it is not underlined.

7.1.4G Most of the detail of the fees payable by *recognised bodies* and ~~applicants~~ is set out in *REC 7 Ann 1R*. The provisions of the annex will vary from one financial year to another. Accordingly a new annex will come into force, following consultation, for each financial year.

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7.3.1R An application for recognition as a *UK recognised body* under section 287 or section 288 of the *Act* must pay to the *FSA* in full and without any deduction the application fee specified for that type of application in ~~part 3 of *REC 7 Ann 1R* for the year in which the application is made~~ part 1 of *REC 7 Ann 2R*.

7.3.2R An application for recognition as an *overseas recognised body* under section 287 or section 288 and section 292 of the *Act* must pay to the *FSA* in full and without any deduction the application fee specified in ~~part 4 of *REC 7 Ann 1R* for the year in which the application is made~~ part 2 of *REC 7 Ann 2R*.

Insert new *REC 7 Ann 2R*:

Application fees payable

Part 1 – Application fees for applicants for recognition as a UK recognised body

Description of applicant	Amount payable	Due date
Applicant for recognition as a <i>UK RIE</i>	£100,000	Date the application is made
Applicant for recognition as a <i>UK RCH</i>	£100,000	Date the application is made
Additional fees for applicant who proposes to:		
- act as a central counterparty	£25,000	Date the application is made
- offer safeguarding and administration services	£25,000	Date the application is made
- use substantially new and untested information technology systems in the performance of its relevant functions	£25,000	Date the application is made

Part 2 – Application fees for applicants for recognition as an overseas recognised body

Description of applicant	Amount payable	Due date
Applicant for recognition as a recognised overseas investment exchange	£50,000	Date the application is made
Applicant for recognition as a recognised overseas clearing house	£50,000	Date the application is made
Additional fees for applicant who proposes to:		
- act as a central counterparty	£25,000	Date the application is made
- offer safeguarding and administration services	£25,000	Date the application is made