

PERIODIC FEES (2005/2006) INSTRUMENT 2005**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 138 (General rule-making power);
 - (2) section 156 (General supplementary powers);
 - (3) section 157(1) and (4) (Guidance);
 - (4) section 234 (Industry funding); and
 - (5) paragraph 17(1) of Schedule 1 (Fees).
- B. The rule-making powers listed above are specified for the purpose of section 153(2) (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force on 1 June 2005.

Amendments to the Handbook

- D. The modules of the FSA’s Handbook of rules and guidance listed in column (1) below are amended in accordance with the Annexes to this instrument listed in column (2).

(1)	(2)
Supervision manual (SUP)	Annex A
Dispute Resolution: Complaints sourcebook (DISP)	Annex B
Collective Investment Schemes sourcebook (CIS)	Annex C
New Collective Investment Schemes sourcebook (COLL)	Annex D
Professional Firms sourcebook (PROF)	Annex E
Recognised Investment Exchanges and Recognised Clearing Houses sourcebook (REC)	Annex F

Citation

- E. This instrument may be cited as the Periodic Fees (2005/2006) Instrument 2005.

By order of the Board
19 May 2005

Amended by Addendum
18 August 2005

Annex A

Amendments to the Supervision manual

In this Annex, underlining indicates new text and striking through indicates deleted text. Where an entire new section of text is being deleted or inserted, the place where the change will be made is indicated and the text is not struck through or underlined.

SUP 16.7.77 R

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Note 7 = In relation to section J of the *RMAR firms* with an *accounting reference date* of between 1 February and 31 August (inclusive) must report the information required by section J solely in their half year end *RMAR*. All other *firms* must report the information required by section J solely in their year end *RMAR*.

Note 8 = In relation to section J of the *MLAR, firms* must report the information required by section J solely in their year end *MLAR*. *Firms* with an *accounting reference date* of between 31 December and 31 March (inclusive) must report the information required by section J calculated as at 31 December of the calendar year immediately before the relevant fee period. All other *firms* must report the information required by section J of the *MLAR* calculated as at 31 December of the previous calendar year. For example, for 2006/07 fees, for *firms* with an *accounting reference date* of between 31 December 2005 and 31 March 2006 (inclusive) the information required by section J is that calculated as at 31 December 2005. For all other *firms* the information required by section J is that calculated as at 31 December 2004.

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SUP 16 Ann 18AR Retail Mediation Activities Return ('RMAR')

SECTION J: data required for calculation of fees

Income for fees calculations

	FSA	FOS	FSCS
Regulated Mortgage Contracts <u>Mortgage mediation</u>	RR0678[see SUP 20 Ann 1R Part 2 fee block A18]	RR0679- [see DISP 5 Ann 1R industry block 16]	RR0680 [see COMP 13.6.9AR]
Non-investment insurance <u>mediation</u>	RR0682-[see SUP 20 Ann 1R Part 2 fee block A19]	RR0683[see DISP 5 Ann 1R industry block 17]	RR0684 [see COMP 13.6.9BR]
Retail investments <u>Investment mediation</u>	RR0686[see SUP 20 Ann 1R Part 2 fee blocks A12/13]	RR0687 [see DISP 5 Ann 1R industry blocks 8/9]	RR0688 [see COMP 13.6.9R contribution groups A12/13]

SUP 16 Ann 18BG Notes for Completion of the Retail Mediation Activities Return ('RMAR')

Section J: data required for calculation of fees

This information is required so that we can calculate the fees payable by *firms* in respect of the *FSA*, ~~Financial Ombudsman Service ('FOS')~~ and the ~~Financial Services Compensation Scheme ('FSCS')~~.

~~The precise way in which these fees will be calculated is still under consultation. Therefore, further information on the completion of these data fields will be provided in due course.~~

Income <u>Data</u> for fees calculations	<i>Firms</i> will need to report data for the purpose of calculating <i>FSA</i> , <i>FOS</i> and <i>FSCS</i> levies. The rules to implement these measures will be subject to consultation in 2004 (see below).
FSA	The formal rules for calculating <i>FSA</i> fees will be subject to consultation in the second quarter ('Q2') of 2004, and will become final <i>handbook</i> text in Q3 2004. <u>The relevant information required is the tariff data set out in SUP 20 Ann 1R Part 2 under fee blocks A 12/13, 18 and 19. Note that firms are required to report tariff data information relating to all business falling within fee blocks A18/19 and not simply that relating to retail investments.</u>
FOS	<i>Mortgage mediation and insurance mediation</i>: the formal rules for calculating <i>FOS</i> fees will be subject to consultation in March 2004, and will become final <i>handbook</i> text in Q3 2004. <i>Retail investment activities</i>: consultation dates to be confirmed. <i>Retail investment activities</i>: consultation dates to be confirmed. <u>The relevant information required is the tariff data set out in DISP 5 Ann 1R industry blocks 8/9, 16 and 17. Note that <i>firms</i> are required to report tariff data information relating to all business falling within industry blocks 16/17 and not simply that relating to retail investments.</u>
FSCS	<i>Mortgage mediation and insurance mediation</i>: the formal rules for calculating <i>FSCS</i> fees will be subject to consultation in March 2004, and will become final <i>handbook</i> text in Q3

	<p>2004. Retail investment activities: consultation dates to be confirmed. <u>The relevant information required is the tariff data set out in COMP 13.6.9R contribution groups A12/13, COMP 13.6.9AR and COMP 13.6.9BR. Note that firms are required to report tariff data information relating to all business falling within COMP 13.6.9AR and COMP 13.6.9BR and not simply that relating to retail investments.</u></p>
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Firms with an accounting reference date of between 1 February and 31 August (inclusive) must report the information required in this section solely in their half year end RMAR. All other firms must report the information in their year end RMAR.

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Part 7: SUP 16 Ann 19BG

NOTES FOR COMPLETION OF THE MORTGAGE LENDING & ADMINISTRATION RETURN ('MLAR')

SECTION J: FEE TARIFF MEASURES

J1 Introduction

The purpose of this section is to enable the *firm* to provide data on the current fee tariff measures that apply to each of the *regulated activities of mortgage lending and mortgage administration*.

This section also distinguishes between the fee tariff measures that apply to the *FSA* (~~Financial Services Authority~~) and *FOS* (~~Financial Ombudsman Service~~).

Since the relevant fee tariff measures may change from time to time, these *guidance* notes merely define where the current definitions of fee tariff measures are to be found. Accordingly the following is a reference to the relevant part of the *FSA's* website where such details can be found:

* Refer to *SUP 20* Annex 1R of the *FSA Handbook* for the *FSA* fee tariff*

* Refer to *DISP 5* Annex 1R of the *FSA Handbook* for the *FOS* fee tariff*

In relation to section J of the *MLAR*, *firms* must report the information required by this section solely in their year end *MLAR*. *Firms* with an *accounting reference date* of between 31 December and 31 March (inclusive) must report the information required by this section as at 31 December of the calendar year immediately before the relevant fee period. All other *firms* must report the information required by this section as at 31 December of the previous calendar year. For example, for 2006/07 fees, for *firms* with an *accounting reference date* of between 31 December 2005 and 31 March 2006 (inclusive) the information required by section J is that calculated as at 31 December 2005. For all other *firms* the information required by section J is that calculated as at 31 December 2004.

Insert after SUP 20.4.13R a new rule as follows, this text is not underlined:

Minimum fee discount

20.4.14	R	(1)	A <i>firm</i> (other than a <i>firm</i> in (2) or a <i>credit union</i>) in more than one fee block must pay at least 50% of the total minimum fee payable in any fee block in which it is a minimum fee payer.
		(2)	A <i>firm</i> (other than a <i>credit union</i>) liable to pay only minimum fees in each fee block it is in must pay 100% of the highest total minimum fee payable within any one fee block and must pay at least 50% of the total minimum fee payable in any other fee blocks in which it is a minimum fee payer.
		(3)	A <i>credit union</i> in more than one fee block must pay at least 50% of the total minimum fee payable in any fee block, other than fee block A1, in which they are a minimum fee payer.

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Insert after SUP 20.6 new provisions as follows, this text is not underlined:

Waiver application guidance fees regarding the Basel Capital Accord

- 20.7.1 R (1) A *firm* submitting a first application for *guidance* on the availability of a *waiver* or concession in connection with future *rules* implementing the revised Basel Capital Accord (including any amendments), must pay to the *FSA* a fee applicable to it as specified in *SUP 20 Annex 4R*.
- (2) A *firm* submitting a second application for *guidance* described in (1) within 12 months of the first application made in accordance with (1) must pay 50% of the fee applicable to it under *SUP 20 Annex 4R*, but only in respect of that second application.
- (3) Any payment under (1) or (2) must be made on or before the date on which the application is made, in full and without any deduction.
- 20.7.2 G The *FSA's* power to charge in respect of *guidance* is derived from section 157(4)(c) of the *Act*. An application for *guidance* will not be considered by the *FSA* until the fee has been paid and the fee is non-refundable.
- 20.7.3 G A *firm* submitting third and subsequent applications for *guidance* described in 20.7.1R will be required to pay at the full rates specified in *SUP 20 Annex 4R* in respect of those applications.

SUP 20 Ann 1R - Activity groups, tariff bases and valuation dates applicable
Part 1

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A12 Advisory arrangers ...	Its <i>permission</i> : ... <ul style="list-style-type: none"> • <i>advising on investments (except pension transfers and pension opt-outs);</i> • <u><i>providing basic advice on a stakeholder product;</i></u> • <u>...</u>
A13 Advisory arrangers (2) its <i>permission</i> : ... <ul style="list-style-type: none"> • <i>advising on investments (except pension transfers and pension opt-outs);</i> • <u><i>providing basic advice on a stakeholder product;</i></u> • ...

Part 2

This table indicates the tariff base for each fee-block. The tariff base is the means by which we measure the ‘amount of business’ conducted by a *firm*. Note that where the tariff base is the number of *approved persons* it may be that a particular *firm* has *permission* for relevant activities as described in Part 1 but the type of activity that the *firm* undertakes is not one requiring a *person* to be approved to undertake a relevant *customer function* (for example

firms only giving basic advice on stakeholder products). In these circumstances, the firm will be required to pay a minimum fee only (see SUP 20 Ann 2R Part 1).

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A4	<p>...</p> <p>Notes:</p> <p>(1) Business conducted through an associated company should be excluded in reporting the product provider's premium income. [deleted]</p> <p>(2) ...</p>

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Delete existing SUP 20 Ann 2R and SUP 20 Ann 3R and insert new text as follows, this text is not underlined:

SUP 20 Annex 2R - Fee tariff rates, permitted deductions and EEA/Treaty firm modifications for the period from 1 April 2005 to 31 March 2006

Part 1

This table shows the tariff rates applicable to each fee-block.

(1)	For each activity group specified in the table below, the fee is the total of the sums payable for each of the tariff bands applicable to the <i>firm's</i> business, calculated as follows:	
	(a)	the relevant minimum fee; plus
	(b)	an additional fee calculated by multiplying the <i>firm's</i> tariff base by the appropriate rates applying to each tranche of the tariff base, as indicated.
(2)	A <i>firm</i> may apply the relevant tariff bases and rates to non-UK business, as well as to its UK business, if:	
	(a)	it has reasonable grounds for believing that the costs of identifying the <i>firm's</i> UK business separately from its non-UK business in the way described in Part 2 of SUP 20 Ann 1R are disproportionate to the difference in fees payable; and
	(b)	it notifies the FSA in writing at the same time as it provides the information concerned under SUP 20.3 (Information on which fees are calculated), or, if earlier, at the time it pays the fees concerned.
(3)	For a <i>firm</i> which has not complied with SUP 20.3.2R (Information on which fees are calculated) for this period:	
	(a)	the fee is calculated using (where relevant) the valuation or valuations of business applicable to the previous period, multiplied by the factor of 1.10;

	(b)	an additional administrative fee of £250 is payable; and
	(c)	the minimum total fee (including the administrative fee in (b)) is £400.

Activity group	Fee payable	
A.1	Minimum fee (£)	150
	£ million of Modified Eligible Liabilities (MELs)	Fee (£/£m or part £m of MELs)
	0 - 0.5	0
	>0.5 - 2	additional flat-rate fee of £350
	>2 - 10	additional flat-rate fee of £500
	>10 - 200	31.61
	>200 - 2,000	31.58
	>2,000 - 10,000	31.53
	>10,000 - 20,000	31.40
	>20,000	31.15
	For a <i>firm</i> in A.1 which has a limitation on its <i>permission</i> to the effect that it may <i>accept deposits</i> from <i>wholesale depositors</i> only, the fee is calculated as above less 30%.	
	In addition, the fee specified below is payable by <i>UK banks</i> and <i>building societies</i> . The <i>wholesale depositors</i> discount and permitted deductions in Part 2 of SUP 20 Ann 2R do not apply to this fee.	
	Minimum fee (£m of MELs)	Fee (£)
	if 0 - 2,000	0
	if >2,000	4,000
	£ million of MELs	Fee (£/£m or part £m of MELs)
	0 - 5,000	0
	>5,000 - 10,000	1.56
	>10,000 - 20,000	1.42
	>20,000	1.32
A.2	Minimum fee (£)	450
	No. of mortgages	Fee (£/mortgage)
	0 – 50	0
	51 – 500	4.52
	501 – 1,000	1.81
	1,001 – 50,000	1.36
	50,001 – 500,000	0.45
	>500,000	0.09

A.3	Gross premium income (GPI)	
	Minimum fee (£)	400
	£ million of GPI	Fee (£/£m or part £m of GPI)
	0 - 0.5	0
	>0.5 - 2	1,628.36
	>2 - 5	1,505.79
	>5 - 20	1,393.27
	>20 - 75	440.87
	>75 - 150	381.05
	>150	53.21
	PLUS	
	Gross technical liabilities (GTL)	
	Minimum fee (£)	0
	£ million of GTL	Fee (£/£m or part £m of GTL)
	0 - 1	0
	>1 - 5	39.99
	>5 - 50	37.05
	>50 - 100	34.40
	>100 - 1,000	10.82
	>1,000	4.33
A.4	Adjusted annual gross premium income (AGPI)	
	Minimum fee (£)	200
	£ million of AGPI	Fee (£/£m or part £m of AGPI)
	0 - 1	0
	>1 - 50	723.93
	>50 - 1,000	674.90
	>1,000 - 2,000	463.28
	>2,000	318.07
	PLUS	
	Mathematical reserves (MR)	

	Minimum fee (£)	200
	£ million of MR	Fee (£/£m or part £m of MR)
	0 - 1	0
	>1 - 10	38.75
	>10 - 100	35.48
	>100 - 1,000	24.02
	>1,000 - 5,000	16.90
	>5,000 - 15,000	13.13
	>15,000	10.21
A.5	Minimum fee (£)	550
	£ million of Active Capacity (AC)	Fee (£/£m or part £m of AC)
	0 - 50	0
	>50 - 150	97.87
	>150 - 250	82.37
	>250	24.15
A.6		£1,166,000
A.7	For class 1(C), (2) and (3) <i>firms</i> :	
	Minimum fee (£)	1,150
	£ million of Funds under Management (FuM)	Fee (£/£m or part £m of FuM)
	0 – 10	0
	>10 – 100	59.24
	>100 – 2,500	19.04
	>2,500 – 10,000	10.61
	>10,000	1.19
	For class 1(B) <i>firms</i> : the fee calculated as for class 1(C) <i>firms</i> above, less 15%. For class 1(A) <i>firms</i> : the fee calculated as for class 1(C) <i>firms</i> above, less 50%.	
A.8	This activity group does not apply for this period.	
A.9	Minimum fee (£)	1,800
	£ million of Gross Income (GI)	Fee (£/£m or part £m of GI)
	0 – 1	0
	>1 – 5	1,397.35
	>5 - 15	1,373.68
	>15 – 40	1,360.03
	>40	1,341.51

A.10	Minimum fee (£)	2,000
	No. of traders	Fee (£/trader)
	0 - 2	0
	3 - 5	1,746
	6 - 10	1,261
	11 - 50	1,166
	51 - 200	1,008
	>200	813
	In addition, the fee specified below is payable by <i>UK domestic firms</i> . The permitted deductions in Part 2 of <i>SUP 20 Ann 2R</i> do not apply to this fee.	
	Minimum fee (No. of traders)	Fee (£)
	if 0 - 100	0
	if >100	2,000
	No. of traders	Fee (£/trader)
	0 - 125	0
	126 - 250	80.50
	>250	58.50
A.11	This activity group does not apply for this period.	
A.12	Minimum fee (£)	1,680
	No. of persons	Fee (£/person)
	0 - 1	0
	2 - 4	980
	5 - 10	495
	11 - 25	362
	26 - 150	197
	151 - 1,500	150
	>1,500	100
	For a <i>professional firm</i> in A.12 the fee is calculated as above less 10%.	
A.13*	For class (2) <i>firms</i> :	
	Minimum fee (£)	1,590
	No. of persons	Fee (£/person)
	0 - 1	0
	2 - 4	867
	5 - 10	835
	11 - 25	801
	26 - 500	736
	501 - 4,000	678

*See Addendum 18 August 2005 p. 24

	>4000	640
	For class (1) <i>firms</i> : £1,560 For a <i>professional firm</i> in A.13 the fee is calculated as above less 10%.	
A.14	Minimum fee (£)	1,220
	No. of persons	Fee (£/person)
	0 - 1	0
	2	1,195
	3 - 4	1,117
	5 - 10	1,028
	11 - 100	975
	101 - 200	683
	>200	410
A.15	This activity group does not apply for this period.	
A.16	0	
A.17	This activity group does not apply for this period.	
A.18	Minimum fee (£)	620
	£ thousands of Annual Income (AI)	Fee (£/£ thousand or part £ thousand of AI)
	0 – 100	0
	>100 – 1,000	5.73
	>1,000 – 5,000	4.77
	>5,000 – 10,000	3.82
	>10,000 – 20,000	2.87
	>20,000	2.39
A.19	Minimum fee (£)	400
	£ thousands of Annual Income (AI)	Fee (£/£ thousand or part £ thousand of AI)
	0 – 100	0
	>100 – 1,000	3.49
	>1,000 – 5,000	3.05
	>5,000 – 15,000	2.18
	>15,000 – 100,000	0.87
	>100,000	0.35
B. Market operators	£20,000	
B. Service companies	Bloomberg LP	£31,500
	EMX Co Ltd	£21,000
	LIFFE Services Ltd	£21,000
	Ofex plc	£51,500
	OMGEO Ltd	£21,000
	Reuters Ltd	£31,500

	Swapswire Ltd	£21,000
	Thomson Financial Ltd	£21,000

Part 2

This table shows the permitted deductions that apply:

Activity group	Nature of deduction	Amount of deduction
A.1	Financial penalties received	9.5% of the fee payable by the <i>firm</i> for the activity group (see Part 1)
A.3	Financial penalties received	8.5% of the fee payable by the <i>firm</i> for the activity group (see Part 1)
A.4	Financial penalties received	9.8% of the fee payable by the <i>firm</i> for the activity group (see Part 1)
A.5	Financial penalties received	8.5% of the fee payable by the <i>firm</i> for the activity group (see Part 1)
A.6	Financial penalties received	8.5% of the fee payable by the <i>firm</i> for the activity group (see Part 1)
A.7	Financial penalties received	10.6% of the fee payable by the <i>firm</i> for the activity group (see Part 1)
A.9	Financial penalties received	8.5% of the fee payable by the <i>firm</i> for the activity group (see Part 1)
A.10	Financial penalties received	14.3% of the fee payable by the <i>firm</i> for the activity group (see Part 1)
A.12	Financial penalties received	16.8% of the fee payable by the <i>firm</i> for then activity group (see Part 1)
A.13	Financial penalties received	10.4% of the fee payable by the <i>firm</i> for the activity group (see Part 1)
A.14	Financial penalties received	8.5% of the fee payable by the <i>firm</i> for the activity group (see Part 1)
E.	Financial penalties received	7.4% of the fee payable by the <i>firm</i> for the activity group (see Part 1)

Part 3

This table shows the modifications to fee tariffs that apply to *incoming EEA firms* and *incoming Treaty firms*.

Activity group	Percentage of tariff payable under Part 1 applicable to the firm subject to a minimum amount payable of £100 (unless specified below)
A.1	20% (for a <i>firm</i> operating on cross-border services basis only, 0% and the minimum sum is not applicable)

A.3	0% and the minimum sum is not applicable
A.4	75%
A.7 and A.9	95%
A.10, A.12, A.13 and A.19	90%

SUP 20 Annex 3R Transaction reporting fees and Article 54 RAO certificate fees for the period from 1 April 2005 to 31 March 2006

Part 1

This table shows the fees payable for transaction reporting.

Fee type	Fee amount (including VAT)		Date payable
	Number of transactions per annum	Fee per transaction (inc. VAT)	
Transaction charge	For the first 1,000	0p	First working day of each <i>month</i>
	1,001 – 1,000,000	3p	
	1,000,001 – 4,000,000	2.75p	
	4,000,001 – 8,000,000	2.5p	
	8,000,001 – 13,000,000	2.25p	
	13,000,001 – 20,000,000	2p	
	20,000,001 – >20,000,000	1.75p	
	>20,000,000	1.75p	

(1) Firms using the Direct Reporting System software will be additionally invoiced for:
(a) an initial software licence fee of £587.50 (including VAT); and
(b) an annual enrolment fee of £235 (including VAT) per licence held on 1 April each year.

(2) The applicable methods of payment of these fees are listed at *SUP 20.2.7AR*.

Part 2

The periodic fee payable under *SUP 20.6.1R* for a certificate issued under Article 54 of the *Regulated Activities Order* is £1,000.

Insert after SUP 20 Annex 3R a new SUP 20 Annex 4R as follows:

SUP 20 Ann 4R – Application fees for guidance on the Capital Requirements Directive for the period from 1 April 2005 to 31 March 2006

For *firms* falling into a group (Group 1) in which five or more significant overseas entities are applying for *guidance* on the availability of a *waiver* or concession in connection with future *rules* implementing the revised Basel Capital Accord (including any amendments), the fees in Table 1 are applicable.

Table 1

Application group	Description of group	Application fee 2005/06		
		Advanced IRB (£'000)	Foundation IRB (£'000)	AMA (£'000)
Group 1	Five or more significant overseas entities applying for <i>guidance</i> on the availability of a <i>waiver</i> or concession in connection with future <i>rules</i> implementing the revised Basel Capital Accord (including any amendments)	219	190	148

For all other *firms* the fees in Table 2 are applicable

Table 2

Application group	Description of group		Application fee 2005/06		
	Modified eligible liabilities (£m)	Number of traders as at 31 December 2004	Advanced IRB (£'000)	Foundation IRB (£'000)	AMA (£'000)
Group 2	>40,000	>200	190	162	120
Group 3	>5,000 – 40,000	26 - 200	77	59	42
Group 4	0 – 5,000	0 - 25	35	25	20

(1) Advanced and Foundation IRB applications are applications for *guidance* regarding the Internal Ratings Based approach for credit risk. AMA applications are applications for *guidance* regarding the Advanced Measurement Approach for operational risk.

(2) For the purposes of Table 2, a *firm's* A.1 or A10 tariff data for the relevant period will be used to provide the value of modified eligible liabilities or number of traders.

Annex B

Amendments to the Dispute Resolution: Complaints sourcebook

In this Annex, all the text is new and is not underlined; the place where the change will be made is indicated.

Delete existing DISP 5 Ann 1R and insert new DISP 5 Ann 1R as follows:

DISP 5 Ann 1R: Annual Fees Payable in Relation to 2005/06

Introduction: annual budget

1. The *annual budget* for 2005/06 approved by the *FSA* is £53.1m.

Part 1: General levy and supplementary levy

2. The total amount expected to be raised through the *general levy* in 2005/06 will be £11.067m.

Part 2: Fee tariffs for general levy and supplementary levy

3. No *establishment costs* will be raised in 2005/06 by the *supplementary levy*.

Table: fee tariffs for industry blocks

Industry block	Tariff base	General levy payable by firm
1-Deposit acceptors, <i>mortgage lenders</i> and <i>administrators</i> (excluding <i>firms</i> in block 14)	Number of accounts relevant to the activities in <i>DISP</i> 2.6.1R	£0.00356 per relevant account, subject to a minimum levy of £100
2-Insurers – general (excluding <i>firms</i> in blocks 13 & 15)	Relevant annual gross premium income	£0.044 per £1,000 of relevant annual gross premium income, subject to a minimum levy of £100
3-The <i>Society</i> of Lloyd's	Not applicable	£24,048 to be allocated by the <i>Society</i>
4-Insurers – life (excluding <i>firms</i> in block 15)	Relevant adjusted annual gross premium income	£0.10 per £1,000 of relevant adjusted annual gross premium income, subject to a minimum levy of £100
5-Fund managers (including those holding <i>client money</i> /assets and not holding <i>client money</i> /assets)	Relevant funds under management	£0.0009 per £1,000 of relevant funds under management, subject to a minimum levy of £100
6-Operators , <i>trustees</i> and	Flat fee	Levy of £75

<i>depositories of collective investment schemes</i>		
7-Dealers as principal	Flat fee	Levy of £50
8-Advisory <i>arrangers</i> , dealers or brokers holding and controlling <i>client money</i> and/or assets	Number of relevant <i>approved persons</i> (<i>controlled functions</i> 21, 22, 24, 25, 26)	£100 per relevant <i>approved person</i> (<i>controlled functions</i> 21, 22, 24, 25, 26), subject to a minimum levy of £100
9-Advisory <i>arrangers</i> , dealers or brokers not holding and controlling <i>client money</i> and/or assets	Number of relevant <i>approved persons</i> (<i>controlled functions</i> 21, 22, 24, 25, 26)	£25 per relevant <i>approved person</i> (<i>controlled functions</i> 21, 22, 24, 25, 26), subject to a minimum levy of £50
10-Corporate finance advisers	Flat fee	Levy of £50
11-	N/A for 2004/05	
12-	N/A for 2004/05	
13-Cash plan health providers	Flat fee	Levy of £50
14- <i>Credit unions</i>	Flat fee	Levy of £50
15- <i>Friendly societies</i> whose tax-exempt business represents 95% or more of their total relevant business	Flat fee	Levy of £50
16 – Mortgage lenders, advisers and <i>arrangers</i> (excluding <i>firms</i> in blocks 13, 14 & 15)	Flat fee	Levy of £50
17 – General insurance mediation (excluding <i>firms</i> in blocks 13,14 & 15)	Flat fee	Levy of £50

4 [not used]

5 The *industry blocks* in the table are based on the equivalent activity groups set out in Part 1 of *SUP 20 Ann 1R*.

6 Where the tariff base in the table is defined in similar terms as that for the equivalent activity group in Part 2 of *SUP 20 Ann 1R*, it must be calculated in the same way as that tariff base - taking into account only the *firm's relevant business*.

Annex C

Amendments to the Collective Investment Schemes sourcebook

In this Annex, all the text is new and is not underlined; the place where the change will be made is indicated.

Delete existing text in CIS 18 Annex 1R and insert new text as follows:

CIS 18 Annex 1R Fees payable in relation to the period from 1 April 2005 to 31 March 2006

Part 1 – Periodic fees payable

Scheme type	Basic fee (£)	Total funds/sub-funds aggregate	Fund factor	2005/06 fee (£)
ICVC AUT Section 264 of the <i>Act</i> Section 270 of the <i>Act</i>	610	1-2	1	610
		3-6	2.5	1,525
		7-15	5	3,050
		16-50	11	6,710
		>50	22	13,420
Section 272 of the <i>Act</i>	2,500	1-2	1	2,500
		3-6	2.5	6,250
		7-15	5	12,500
		16-50	11	27,500
		>50	22	55,000

Fees are charged according to the number of funds or sub-funds operated by a *firm* as at 31 March 2005. Where more than one fund or sub-fund is operated the number of funds (not including the umbrella or parent fund) produces a 'fund factor' in accordance with the table above which is then applied to a basic fee to produce one total fee per operator. Fund factors are applied per operator rather than per scheme so that the fees relate to the number of funds rather than the number of schemes. This means that, for example, an authorised fund manager of three schemes pays the same as an operator or authorised fund manager of one scheme with three sub-funds (as only the sub-funds are counted).

Annex D

Amendments to the New Collective Investment Schemes sourcebook

In this Annex, all the text is new and is not underlined; the place where the change will be made is indicated.

Delete existing text in COLL 10 Annex 1R and insert new text as follows:

COLL 10 Ann 1R Periodic fees payable for the period 1 April 2005 to 31 March 2006

Part 1 – Periodic fees payable

Scheme type	Basic fee (£)	Total funds/sub-funds aggregate	Fund factor	2005/06 fee (£)
ICVC AUT Section 264 of the Act Section 270 of the Act	610	1-2	1	610
		3-6	2.5	1,525
		7-15	5	3,050
		16-50	11	6,710
		>50	22	13,420
Section 272 of the Act	2,500	1-2	1	2,500
		3-6	2.5	6,250
		7-15	5	12,500
		16-50	11	27,500
		>50	22	55,000

Fees are charged according to the number of funds or sub-funds operated by a *firm* as at 31 March 2005. Where more than one fund or sub-fund is operated the number of funds (not including the umbrella or parent fund) produces a 'fund factor' in accordance with the table above which is then applied to a basic fee to produce one total fee per operator. Fund factors are applied per operator rather than per scheme so that the fees relate to the number of funds rather than the number of schemes. This means that, for example, an authorised fund manager of three schemes pays the same as an operator or authorised fund manager of one scheme with three sub-funds (as only the sub-funds are counted).

Annex E

Amendments to the Professional Firms sourcebook

In this Annex, all the text is new and is not underlined; the place where the change will be made is indicated.

Delete existing PROF 6 Ann 1R and insert new text as follows:

PROF 6 Annex 1R Fees payable in relation to the period from 1 April 2005 to 31 March 2006

Table. Fees payable by Designated Professional Bodies

Name of Designated Professional Body	Amount payable	Due date
The Law Society	£51,700	30 April 2005
	£74,020	1 September 2005
The Law Society of Scotland	£17,450	1 July 2005
The Law Society of Northern Ireland	£15,730	1 July 2005
The Institute of Actuaries	£10,230	1 July 2005
The Institute of Chartered Accountants in England and Wales	£34,000	30 April 2005
	£9,970	1 September 2005
The Institute of Chartered Accountants of Scotland	£12,980	1 July 2005
The Institute of Chartered Accountants in Ireland	£11,740	1 July 2005
The Association of Chartered Certified Accountants	£45,710	1 July 2005
The Council for Licensed Conveyancers	£12,480	1 July 2005

Annex F

Amendments to the Recognised Investment Exchange and Recognised Clearing Houses sourcebook

In this Annex, all the text is new and is not underlined; the place where the change will be made is indicated.

Delete existing REC 7 Ann 1R and insert new text as follows:

REC 7 Annex 1R Fees payable in relation to the period from 1 April 2005 to 31 March 2006

In this Annex:

- the term *recognised body* includes a body which was a recognised investment exchange or a recognised clearing house recognised under the Financial Services Act 1986 and which is a *recognised body* as a result of Regulation 9 of the *Recognition Requirements Regulations*; and

- the term recognition order includes a recognition order made by the FSA under section 37 or section 39 of the Financial Services Act 1986 or a recognition order made by the Treasury under section 40 of the Financial Services Act 1986.

Part 1- Periodic fees for UK recognised bodies

Name of UK recognised body	Amount payable	Due date
CRESTCo Limited	£294,000	30 April 2005
	£271,000	1 September 2005
The International Petroleum Exchange of London Limited	£166,000	30 April 2005
	£159,000	1 September 2005
LIFFE Administration and Management	£361,000	30 April 2005
	£439,000	1 September 2005
LCH.Clearnet Limited	£309,500	30 April 2005
	£395,500	1 September 2005
The London Metal Exchange Limited	£217,500	30 April 2005
	£242,500	1 September 2005
London Stock Exchange plc	£352,500	30 April 2005
	£382,500	1 September 2005
virt-x Exchange Ltd	£117,000	30 April 2005
	£93,000	1 September 2005
EDX London Ltd	£95,000	30 April 2005
	£65,000	1 September 2005

Any other <i>UK recognised investment exchange</i> recognised as such by a <i>recognition order</i> made in the period	£150,000	30 days after the date on which the <i>recognition order</i> is made
Any other <i>UK recognised clearing house</i> recognised as such by a <i>recognition order</i> made in the period	£250,000	30 days after the date on which the <i>recognition order</i> is made

Part 2 - Periodic fees for overseas recognised bodies

Name of overseas recognised body	Amount payable	Due date
Cantor Financial Futures Exchange	£10,000	1 July 2005
The Chicago Mercantile Exchange	£10,000	1 July 2005
Chicago Board of Trade	£10,000	1 July 2005
EUREX (Zurich)	£10,000	1 July 2005
National Association of Securities and Dealers Automated Quotations (NASDAQ)	£10,000	1 July 2005
NQLX LLC	£10,000	1 July 2005
New York Mercantile Exchange Inc.	£10,000	1 July 2005
The Swiss Stock Exchange	£10,000	1 July 2005
Sydney Futures Exchange Limited	£10,000	1 July 2005
Wareterminborse Hannover	£10,000	1 July 2005
US Futures Exchange LLC	£10,000	1 July 2005
Any other <i>overseas investment exchange</i> recognised as such by a <i>recognition order</i> made in the period	£10,000	30 days after the date on which the <i>recognition order</i> is made
Any other <i>overseas clearing house</i> recognised as such by a <i>recognition order</i> made in the period	£35,000	30 days after the date on which the <i>recognition order</i> is made

ADDENDUM

PERIODIC FEES (2005/2006) INSTRUMENT 2005

In this Addendum, underlining indicates new text and striking through indicates deleted text.

Annex A of this instrument is amended as follows:

Sup 20 Ann 2R

...		
A13	...	
	...	
For class (1) <i>firms</i> : £1,560 <u>£1,590</u>		
For a <i>professional firm</i> in A.13 the fee is calculated as above less 10%.		

Addendum
18 August 2005