

**FEES MANUAL (FINANCIAL OMBUDSMAN SERVICE CASE FEES 2015/16)
INSTRUMENT 2015**

Powers exercised by the Financial Ombudsman Service

- A. The Financial Ombudsman Service Limited makes this instrument amending:
- (1) the rules and guidance relating to the payment of fees under the Compulsory Jurisdiction; and
 - (2) the standard terms for Voluntary Jurisdiction participants relating to the payment of fees under the Voluntary Jurisdiction.

in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 ('the Act'):

- (a) paragraph 14 (The scheme operator's rules) of Schedule 17;
 - (b) paragraph 15 (Fees) of Schedule 17; and
 - (b) paragraph 18 (Terms of reference to the scheme) of Schedule 17.
- B. The making of these rules, guidance and standard terms by the Financial Ombudsman Service Limited is subject to the consent and approval of the Financial Conduct Authority.
- C. The Financial Conduct Authority approves and consents to the making (and amendment) of the rules and standard terms that are made and amended by the Financial Ombudsman Service Limited under this instrument, pursuant to the following powers and related provisions in the Financial Services and Markets Act 2000 ('the Act'):
- (a) section 227 (Voluntary jurisdiction);
 - (b) paragraph 14 (The scheme operator's rules) of Schedule 17 to the Act; and
 - (c) paragraph 18 (Terms of reference to the scheme) of Schedule 17 to the Act.

The rule making powers listed above are specified for the purpose of section 138G (Rule-making instruments) of the Act.

Commencement

- D. This instrument comes into force on 31 July 2015 but shall have effect and be taken always to have had effect from 1 April 2015.

Amendments to the Handbook

- E. The Fees manual (FEES) is amended by the Board of the Financial Ombudsman Service in accordance with the Annex to this instrument.

Citation

- F. This instrument may be cited as the Fees Manual (Financial Ombudsman Service Case Fees 2015/16) Instrument 2015.

By order of the Board of the Financial Ombudsman Service Limited

29 July 2015

Consented to, and approved by, the Board of the Financial Conduct Authority

30 July 2015

Amendments to the Fees manual (FEES)

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise stated.

Amend the following as shown.

**5 Annex 2R Annual Levy Payable in Relation to the Voluntary
Jurisdiction ~~2013/14~~2015/16**

5 Annex 3R Case Fees Payable for ~~2013/14~~2015/16

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Part 3 – Charging groups	
<p>The <i>charging groups</i>, and their constituent <i>group respondents</i>, are listed below. They are based on the position at 31 December immediately preceding the <i>financial year</i>. For the purposes of calculating, charging, paying and collecting the special case fee, they are not affected by any subsequent change of ownership.</p>	
1	<p>Barclays Group, comprising the following <i>firms</i>:</p> <p>ABSA Bank Limited</p> <p><u>Oak Pension Asset Management Limited</u></p> <p>Barclays Asset Management Limited</p> <p>Barclays Assurance (Dublin Limited)</p> <p>Barclays Bank Ireland Plc</p> <p>Barclays Bank Plc</p> <p>Barclays Bank S.A.</p> <p>Barclays Bank Trust Company Limited</p> <p>Barclays Capital Securities Limited</p> <p>Barclays Capital Strategic Advisers Limited</p> <p>Barclays Courtage</p> <p>Barclays Infrastructure Funds Management Limited</p> <p>Barclays Insurance (Dublin) Limited</p> <p>Barclays Insurance Services Company Limited</p> <p>Barclays Mediador Operador de Banca Seguros Vinculado, S.A.</p> <p>Barclays Mercantile Business Finance Limited</p>

	<p>Barclays Patrimoine</p> <p>Barclays Private Clients International Limited</p> <p>Barclays Sharedealing</p> <p>Barclays Stockbrokers Limited</p> <p>Clydesdale Financial Services Limited</p> <p>CNP Barclays Vida y Pensiones Compania de Seguros S.A.</p> <p>Firstplus Financial Group Plc</p> <p>Gerrard Financial Planning Ltd</p> <p>Gerrard Investment Management Limited</p> <p>Home Retail Group Personal Finance Limited</p> <p>Sereo BPO Private Limited</p> <p>Solution Personal Finance Limited</p> <p>Standard Life Bank Plc</p> <p>Thomas Cook Personal Finance Limited</p> <p>Woolwich Plan Managers Limited</p> <p>Oak Pension Asset Management Limited</p> <p><u>3i BIFM Investments Limited</u></p>
2	<p>HSBC Group, comprising the following <i>firms</i>:</p> <p>Catalina Insurance Ireland Limited</p> <p>CL Residential Limited</p> <p>Halbis Capital Management (UK) Limited</p> <p>HFC Bank Limited</p> <p>HSBC Alternative Investments Limited</p> <p>HSBC Bank Malta plc</p> <p>HSBC Bank plc</p> <p>HSBC Bank USA NA, London Branch</p> <p>HSBC de Baecque Beau</p> <p>HSBC France</p> <p>HSBC General Insurance Services (UK) Limited</p> <p>HSBC Global Asset Management FCP (France)</p> <p>HSBC Global Asset Management (UK) Limited</p> <p>HSBC Hervet</p> <p>HSBC Index Tracker Investment Funds</p> <p>HSBC International Financial Advisers (UK) Limited</p>

	<p>HSBC Investment Funds</p> <p>HSBC Life (Europe) Limited</p> <p>HSBC Life (UK) Limited</p> <p>HSBC Picardie</p> <p>HSBC Private Bank (Luxembourg) S.A.</p> <p>HSBC Private Bank (UK) Limited</p> <p>HSBC Securities (France)</p> <p>HSBC Securities (USA) Inc</p> <p>HSBC SPECIALIST INVESTMENT FUNDS</p> <p>HSBC Trinkaus & Burkhardt AG</p> <p>HSBC Trust Company (UK) Ltd</p> <p>HSBC UBP</p> <p>HSBC Van Meer James Capel NV</p> <p>InfraRed Capital Partners Limited</p> <p>InfraRed (Infrastructure) Capital Partners Limited</p> <p><u>John Lewis Financial Services Limited</u></p> <p>Marks and Spencer Financial Services plc</p> <p>Marks and Spencer Life Assurance Limited</p> <p>Marks & Spencer Savings and Investments Ltd</p> <p>Marks & Spencer Unit Trust Management Limited</p> <p>Pantelakis Securities SA</p> <p>Sinopia Asset Management (UK) Limited</p> <p>The Hongkong and Shanghai Banking Corporation Limited</p>
3	<p>Lloyds Banking Group, comprising the following <i>firms</i>:</p> <p>AMC Bank Ltd</p> <p>Bank of Scotland (Ireland) Limited</p> <p>Bank of Scotland Plc</p> <p>Black Horse Limited</p> <p>Cheltenham & Gloucester plc</p> <p>Clerical Medical Financial Services Limited</p> <p>Clerical Medical Investment Fund Managers Ltd</p> <p>Clerical Medical Investment Group Limited</p> <p>Clerical Medical Managed Funds Limited</p> <p>CLERICAL MEDICAL OPEN ENDED INVESTMENT COMPANY</p>

Halifax Assurance (Ireland) Limited
 Halifax Financial Brokers Limited
 Halifax General Insurance Services Limited
 Halifax Insurance (Ireland) Limited
 Halifax Insurance Ireland Ltd
 Halifax Investment Services Ltd
 Halifax Life Limited
 Halifax Share Dealing Limited
 HBOS Investment Fund Managers Limited
 Insight Investment Global Investment Funds
 INSIGHT INVESTMENT PROFESSIONAL FUNDS ICVC
 Invista Real Estate Investment Management Ltd
 IWeb (UK) Limited
 LDC (Managers) Limited
 Legacy Renewal Company Limited
 Lex Autolease Ltd
 Lex Vehicle Leasing Ltd
 Lloyds Development Capital (Holdings) Limited
 Lloyds Bank Plc
 Lloyds TSB Financial Advisers Limited
 Lloyds Bank General Insurance Limited
 Lloyds Bank Insurance Services Limited
 Lloyds TSB Investments Limited
 Lloyds Bank Private Banking Limited
 Pensions Management (SWF) Limited
 Scottish Widows Administration Services Limited
 Scottish Widows Annuities Limited
 Scottish Widows Bank Plc
 Scottish Widows Fund Management Limited
~~Scottish Widows Investment Partnership Investment~~
~~Scottish Widows Investment Partnership Limited~~
 Scottish Widows plc
~~Scottish Widows Tracker and Specialist Investment Funds ICVC~~
 Scottish Widows Unit Funds Limited
 Scottish Widows Unit Trust Managers Limited

	<p>St Andrew's Insurance plc</p> <p>St Andrew's Life Assurance Plc</p> <p>SWIP Fund Management Limited</p> <p>SWIP Multi-Manager Funds Limited</p> <p>The Mortgage Business Plc</p> <p>TSB Bank plc</p> <p>Uberior Fund Manager Ltd</p>
4	<p>RBS/NatWest Group, comprising the following <i>firms</i>:</p> <p>Adam & Company Investment Management Ltd</p> <p>Adam & Company Plc</p> <p>Coutts & Company</p> <p>Coutts Finance Company</p> <p>First Active plc</p> <p><u>Lombard Finance Ltd</u></p> <p><u>Lombard North Central Plc</u></p> <p>National Westminster Bank Plc</p> <p>National Westminster Home Loans Limited</p> <p>NatWest Stockbrokers Ltd</p> <p>RBEF Limited</p> <p><u>RBOS (UK) Limited</u></p> <p>RBS Asset Management (ACD) Ltd</p> <p>RBS Asset Management Ltd</p> <p>RBS Collective Investment Funds Limited</p> <p>RBS Corporate Finance Limited</p> <p>RBS Equities (UK) Limited</p> <p>RBS Investment Executive Limited</p> <p>The Royal Bank of Scotland (Gibraltar) Ltd</p> <p>The Royal Bank of Scotland Group Independent Financial Services Limited</p> <p>The Royal Bank of Scotland N.V.</p> <p>The Royal Bank of Scotland Plc</p> <p><u>Topaz Finance PLC Limited</u></p> <p>Ulster Bank Ireland Limited</p> <p>Ulster Bank Ltd</p> <p>RBOS (UK) Limited</p>

5	<p>Aviva Group, comprising the following firms<u>firms</u>:</p> <p>Aviva (Peak No. 1) UK Limited</p> <p>Aviva Annuity UK Limited</p> <p>Aviva Equity Release UK Limited</p> <p>Aviva Health UK Limited</p> <p>Aviva Insurance Limited</p> <p>Aviva Insurance Services UK Limited</p> <p>Aviva Insurance UK Limited</p> <p>Aviva International Insurance Limited</p> <p>Aviva Investors Global Services Limited</p> <p>Aviva Investors London Limited</p> <p>Aviva Investors Pensions Limited</p> <p>Aviva Investors UK Fund Services Limited</p> <p>Aviva Investors UK Funds Limited</p> <p>Aviva Life & Pensions UK Limited</p> <p>Aviva Life Services UK Limited</p> <p>Aviva Pension Trustees UK Limited</p> <p>Aviva Wrap UK Limited</p> <p>CGU Bonus Limited</p> <p>CGU Underwriting Limited</p> <p>Commercial Union Life Assurance Company Limited</p> <p>Gresham Insurance Company Limited</p> <p>Hamilton Life Assurance Company Limited</p> <p>Hamilton Insurance Company Limited</p> <p>Norwich Union Life (RBS) Limited</p> <p>Orn Capital LLP</p> <p>Scottish Boiler and General Insurance Company Ltd</p> <p>The Ocean Marine Insurance Company Limited</p> <p>World Auxiliary Insurance Corporation Limited</p>
6	<p>Direct Line Group, comprising the following firms<u>firms</u>:</p> <p>Churchill Insurance Company Limited</p>

	UK Insurance Limited UK Insurance Business Solutions Limited
7	Nationwide Building Society Group comprising the following firms <u>firms</u> : Cheshire Building Society Derbyshire Building Society Derbyshire Home Loans Ltd Dunfermline Building Society (in building society special administration) E-Mex Home Funding Limited Nationwide Building Society Nationwide Independent Financial Services Limited <u>Portman Building society</u> The Mortgage Works (UK) Plc UCB Home Loans Corporation Ltd
8	Santander Group, comprising the following firms <u>firms</u> : Abbey National Treasury Services Plc Abbey Stockbrokers Limited Cater Allen Limited Santander Cards UK Limited Santander Consumer (UK) Plc Santander UK Plc <u>Santander ISA Managers Limited</u> <u>Hyundai Capital UK Limited</u>

Part 4 – Special case fees	
The special case fee shall be calculated and paid as follows:	
1	Proportions: (1) In the calculations that follow in (2), (3) and (4): new <i>chargeable cases (PPI)</i> for <i>group respondents</i> – A = twice the number of new <i>chargeable cases (PPI)</i> that were referred to the <i>Financial Ombudsman Service</i> in respect of <i>group respondents</i> from 1 July to 31 December (both dates inclusive) in the immediately preceding <i>financial year</i> .

	<p>new <i>chargeable cases (PPI)</i> for all <i>firms</i> –</p> <p>B = twice the number of new <i>chargeable cases (PPI)</i> that were referred to the <i>Financial Ombudsman Service</i> in respect of all <i>firms</i> (whether or not they are part of a <i>charging group</i>) from 1 July to 31 December (both dates inclusive) in the immediately preceding <i>financial year</i>.</p>
	<p>open <i>chargeable cases (PPI)</i> for <i>group respondents</i> –</p> <p>C = the number of <i>chargeable cases (PPI)</i> referred to the <i>Financial Ombudsman Service</i> in respect of <i>group respondents</i> before 1 January in the immediately preceding <i>financial year</i> which had not been closed before 1 January in the immediately preceding <i>financial year</i>.</p>
	<p>open <i>chargeable cases (PPI)</i> for all <i>firms</i> –</p> <p>D = the number of <i>chargeable cases (PPI)</i> referred to the <i>Financial Ombudsman Service</i> in respect of all <i>firms</i> (whether or not they are part of a <i>charging group</i>) before 1 January in the immediately preceding <i>financial year</i> which had not been closed before 1 January in the immediately preceding <i>financial year</i>.</p> <p>new <i>chargeable cases (general)</i> for <i>group respondents</i> –</p> <p>E = twice the number of new <i>chargeable cases (general)</i> that were referred to the <i>Financial Ombudsman Service</i> in respect of <i>group respondents</i> from 1 July to 31 December (both dates inclusive) in the immediately preceding <i>financial year</i>.</p> <p>new <i>chargeable cases (general)</i> for all <i>firms</i> –</p> <p>F = twice the number of <i>chargeable cases (general)</i> referred to the <i>Financial Ombudsman Service</i> in respect of all <i>firms</i> (whether or not they are part of a <i>charging group</i>) from 1 July to 31 December (both dates inclusive) in the immediately preceding <i>financial year</i>.</p> <p>open <i>chargeable cases (general)</i> for <i>group respondents</i> –</p> <p>G = the number of <i>chargeable cases (general)</i> that were referred to the <i>Financial Ombudsman Service</i> in respect of <i>group respondents</i> before 1 January in the immediately preceding <i>financial year</i> which had not been closed before 1 January in the immediately preceding <i>financial year</i>.</p> <p>open <i>chargeable cases (general)</i> for all <i>firms</i> –</p> <p>H = the number of <i>chargeable cases (general)</i> referred to the <i>Financial Ombudsman Service</i> in respect of all <i>firms</i> (whether or not they are part of a <i>charging group</i>) before 1 January in the immediately preceding <i>financial year</i> which had not been closed before 1 January in the immediately preceding <i>financial year</i>.</p>
	<p>(2) ‘Proportion X’ for each <i>charging group</i> is a percentage calculated as follows –</p> $A / B \times 100$
	<p>(3) ‘Proportion Y’ for each <i>charging group</i> is a percentage calculated as follows –</p> $\{A + C\} / \{B + D\} \times 100$
	<p>(4) ‘Proportion Z’ for each <i>charging group</i> is a percentage calculated as follows –</p>

	$\{E + G\} / \{F + H\} \times 100$
2	The special case fee is intended to broadly reflect the budgeted workload capacity of the <i>Financial Ombudsman Service</i> and comprises elements in respect of: <ul style="list-style-type: none"> (1) new <i>chargeable cases (PPI)</i>; (2) closed <i>chargeable cases (PPI)</i>; and (3) closed <i>chargeable cases (general)</i>; with a free-case allowance of: <ul style="list-style-type: none"> (4) 125 new <i>chargeable cases (PPI)</i>; and (5) 125<u>200</u> closed <i>chargeable cases (general)</i>.
3	The special case fee for each <i>charging group</i> is a total amount calculated as follows: <ul style="list-style-type: none"> (1) in respect of new <i>chargeable cases (PPI)</i> – $\{-£0 \times [\del{200,000}150,000] \times \text{the 'proportion X'}\} - \{£0 \times 125\}$ (2) in respect of closed <i>chargeable cases (PPI)</i> – $£550 \times [\del{320,000}250,000] \times \text{the 'proportion Y'}$ (3) In respect of closed <i>chargeable cases (general)</i>– $\{£550 \times [\del{120,000}148,000] \times \text{the 'proportion Z'}\} - \{£550 \times \del{125}200\}$
4	The <i>FOS Ltd</i> will invoice each <i>charging group</i> for the special case fee (calculated as above) in four equal instalments, payable in advance on the following dates during the <i>financial year</i> : <ul style="list-style-type: none"> (1) 1 April (or, if later, when <i>FOS Ltd</i> has sent the invoice); (2) 1 July; (3) 1 October; and (2) 1 January.
5	Year-end adjustment: <ul style="list-style-type: none"> (1) If the actual number of new <i>chargeable cases (PPI)</i> referred to the <i>Financial Ombudsman Service</i> in respect of <i>group respondents</i> during the <i>financial year</i> is more than 10,000 and is more than [115%] of $\{[\del{200,000}150,000] \times \text{the 'proportion X'}\}$: <ul style="list-style-type: none"> (a) the <i>FOS Ltd</i> will invoice the <i>relevant charging group</i>; and (b) the <i>relevant charging group</i> will pay to <i>FOS Ltd</i>; <p>an additional £35,000 for each block of 100 (or part thereof) new <i>chargeable cases (PPI)</i> in excess of the [115%].</p> (2) If the actual number of <i>chargeable cases (general)</i> closed by the <i>Financial Ombudsman Service</i> in respect of <i>group respondents</i> during the <i>financial year</i> is more than [115%] of $\{[\del{120,000}148,000] \times \text{the 'proportion Z'}\}$: <ul style="list-style-type: none"> (a) the <i>FOS Ltd</i> will invoice the <i>relevant charging group</i>; and (b) the <i>relevant charging group</i> will pay to <i>FOS Ltd</i>;

an additional £55,000 for each block of 100 (or part thereof) ~~new~~closed chargeable cases (~~PPI~~general) over the [115%].

- (3) If the actual number of chargeable cases (general) closed by the Financial Ombudsman Service in respect of group respondents during the financial year is less than [85%] of {[~~120,000~~148,000] x the 'proportion Z' }, the FOS Ltd will promptly repay to the relevant charging group £55,000 for each block of 100 (or part thereof) closed chargeable cases (general) under the [85%].