

**EXITING THE EUROPEAN UNION: DEFERRAL OF COMMENCEMENT AND
MISCELLANEOUS FEES INSTRUMENT 2020**

Powers exercised

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of:
- (1) the following provisions of the Financial Services and Markets Act 2000 (“the Act”):
 - (a) section 137A (General rule-making power);
 - (b) section 137T (General supplementary powers);
 - (c) section 139A (Power of the FCA to give guidance);
 - (d) section 395 (The FCA’s and PRA’s Procedures); and
 - (e) paragraph 23 (Fees) in Part 3 (Penalties and Fees) of Schedule 1ZA (The Financial Conduct Authority);
 - (2) the relevant powers and related provisions relating to guidance or statements of policy referred to in schedule 4 to the General Provisions of the FCA Handbook;
 - (3) regulation 120 (Guidance) of the Payment Services Regulations 2017;
 - (4) regulation 60 (Guidance) of the Electronic Money Regulations 2011;
 - (5) the relevant powers of the Credit Ratings Agencies (Amendments etc.) (EU Exit) Regulations 2019 (SI 2019/266):
 - (a) regulation 5 (Guidance);
 - (b) regulation 8 (Statement of policy);
 - (c) regulation 18 (Information gathering and investigations); and
 - (d) regulation 19 (Notices); and
 - (6) the relevant powers and related provisions of the Over the Counter Derivatives, Central Counterparties and Trade Repositories (Amendments etc. and Transitional Provision) (EU Exit) Regulations 2019 (SI 2019/335):
 - (a) regulation 69 (Statement of policy);
 - (b) regulation 71 (Powers to issue guidance);
 - (c) regulation 75 (Application of Part 11 of the Act (information gathering and investigations)); and
 - (d) regulation 76 (Application of Part 26 of the Act (notices)).
- B. The rule-making provisions referred to above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force on exit day as defined in the European Union (Withdrawal) Act 2018.

- D. Paragraph 1 of Schedule 5 of the European Union (Withdrawal Agreement) Act 2020 does not apply to this instrument.

[**Editor's note:** Exit day is 11pm on 31 January 2020.]

Deferral of commencement of Handbook instruments

Preamble: The effect of paragraph 1 of Schedule 5 to the European Union (Withdrawal Agreement) Act 2020 on subordinate legislation commencing on exit day or on a date set with reference to exit day.

- E. Paragraph 1 of Schedule 5 (Consequential and transitional provision etc.) to the European Union (Withdrawal Agreement) Act 2020 (the “WA Act”) provides that any provision in subordinate legislation made before exit day under any provision of the European Union (Withdrawal) Act 2018 (the “EUWA”) (or any provision made under any such provision) or any other enactment, which provides, by reference to exit day (however expressed), for all or part of that or any other subordinate legislation to come into force immediately before exit day, on exit day, or at any time after exit day is to be read instead as providing for the subordinate legislation or (as the case may be) the part to come into force immediately before IP completion day, on IP completion day or (as the case may be) at the time concerned after IP completion day (as those terms are defined by the WA Act).

The following provisions shall have effect: Modifications to FCA guidance etc commencing on exit day or on a date set with reference to exit day

- F. In so far as paragraph 1 of Schedule 5 to the WA Act does not apply to a commencement provision of an instrument made by the FCA insofar as it commences provisions made under any of the powers listed in paragraph A(1)(c), A(1)(d) or A(2) to (6), and which provides for the instrument it is commencing, or the relevant part of it, to come into force immediately before exit day, on exit day, or at any time after exit day, that commencement provision, or that part of it, is, by virtue of this instrument, to be read as instead providing for the instrument or (as the case may be) the part to come into force on IP completion day (but see paragraph G).
- G. Where paragraph F applies in relation to an instrument which is expressed as coming into force on exit day immediately after the changes made by another instrument come into force, the commencement provision in that instrument is to be read instead as providing for the instrument or (as the case may be) that part of the instrument to come into force on IP completion day immediately after the changes made by that other instrument come into force.
- H. For the purposes of paragraphs E to G the term “exit day” has the same meaning as in section 20 of the EUWA and the term “IP completion day” has the same meaning as in section 39 of the WA Act.

Amendments to the Handbook

- I. The Fees manual (FEES) is amended in accordance with the Annex to this instrument.

Citation

- I. This instrument may be cited as the Exiting the European Union: Deferral of Commencement and Miscellaneous Fees Instrument 2020.

By order of the Board
30 January 2020

Annex

Amendments to the Fees manual (FEES)

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

4 Periodic fees

...

4 Annex 2AR FCA Fee rates and EEA/Treaty firm modifications for the period from 1 April 2019 to 31 March 2020

Part 1

This table shows the tariff rates applicable to each of the fee blocks set out in Part 1 of *FEES* 4 Annex 1AR.

...

Activity group	Fee payable	
...		
B. Recognised overseas investment exchanges	60,000, except as provided below	
	<i>Recognised overseas investment exchanges</i> that are <i>EEA market operators</i> before exit day <u>IP completion day</u>	No fee is payable in respect of any complete <i>fee year</i> beginning on or after 1 April 2018 and ending before exit day <u>IP completion day</u> . For the <i>fee year</i> in which exit day <u>IP completion day</u> occurs the fee payable is in accordance with the formula set out below. (The above fee ÷ 12) multiplied by the number of calendar <i>months</i> (inclusive) between the calendar <i>month</i> in which exit day <u>IP completion day</u> occurs and the last calendar <i>month</i> of that <i>fee year</i> .
...	...	
Notes		
1.	For the purposes of this table, “ exit day ” “ <u>IP completion day</u> ” has the same meaning given by as in section 20 of the European Union (Withdrawal) Act 2018 <u>the European Union (Withdrawal</u>	

	<u>Agreement) Act 2020 (see section 39(1) to (5) of that Act) and regulations made under the section.</u>
--	---