

**FINANCIAL SERVICES COMPENSATION SCHEME (DEPOSIT TARIFF BASE
AMENDMENT) INSTRUMENT 2010**

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 213 (The compensation scheme); and
 - (4) section 214 (General).
- 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 31 December 2010.

Amendments to the Handbook

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

Citation

- E. This instrument may be cited as the Financial Services Compensation Scheme (Deposit Tariff Base Amendment) Instrument 2010.

By order of the Board
10 November 2010

Annex

Amendments to the Fees manual (FEES)

In this Annex, underlining indicates new text.

6 Annex 3R Financial Services Compensation Scheme – classes and sub-classes

This table belongs to *FEES* 6.5.7R and *FEES* TP 2.5.2R

Class A	Deposit
...	
Tariff base	<p>(1) <i>Protected deposits</i> and/or</p> <p>(2) <i>Protected dormant accounts</i> multiplied by 0.2 as at 31 December. Except where paragraph (4) says otherwise, <i>protected deposits</i> must be adjusted as follows.</p>
	<p>(1) Only include a <i>protected deposit</i> to the extent that an <i>eligible claimant</i> would have a claim in respect of it.</p> <p>(2) Exclude any amount in respect of which the <i>FSCS</i> would not pay compensation due to the maximum payment limits in <i>COMP</i> 10.2.</p> <p>(3) The tariff base calculation is made on the basis of the information that the <i>firm</i> would have to include in the <i>single customer view</i> it has to be able to produce under <i>COMP</i> 17 (Systems requirements for firms that accept deposits). The information must be of the extent and standard required if the <i>firm</i> was preparing the <i>single customer views</i> as at the valuation date for the tariff base (31 December).</p> <p>(4) (a) If this paragraph applies, the adjustments in (1) to (3) do not apply and the calculation is based on <i>protected deposits</i>.</p> <p>(b) This paragraph applies with respect to a <i>protected deposit</i> to the extent that, under <i>COMP</i> 17, the <i>firm</i> does not have to identify an <i>eligible claimant</i> with respect to that <i>protected deposit</i> because the account is held by the account holder on behalf of others.</p> <p>(c) <u>This paragraph applies with respect to a <i>protected deposit</i> that has been excluded from the <i>single customer view</i> because it is an account that is not active, as defined in <i>COMP</i> 17.2.3R(2).</u></p>