

**FEES (MISCELLANEOUS AMENDMENTS AND FINANCIAL OMBUDSMAN
SERVICE RULES) (NO 2) INSTRUMENT 2011**

Powers exercised by the Financial Ombudsman Service¹

A. The Financial Ombudsman Service Limited makes this instrument:

- (1) the rules and guidance relating to the payment of fees under the Compulsory Jurisdiction;
- (2) the rules and guidance for licensees relating to payment of fees under the Consumer Credit Jurisdiction; and
- (3) the standard terms for VJ 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 8 (Guidance) of Schedule 17;
- (b) paragraph 15 (Fees) of Schedule 17;
- (c) paragraph 16C (Fees) of Schedule 17; and
- (d) paragraph 18 (Terms of reference to the scheme) of Schedule 17.

B. The making of these rules, standard terms and guidance by the Financial Ombudsman Service Limited is subject to the consent and approval of the Financial Services Authority.

Powers exercised by the Financial Services Authority¹

C. The Financial Services Authority makes this instrument in the exercise of the following powers and related provisions in or under:

- (1) the Act:
 - (a) section 156 (General supplementary powers);
 - (b) section 157(1) (Guidance);
 - (c) section 234 (Industry funding);
 - (d) paragraph 17(1) (Fees) of Schedule 1 (The Financial Services Authority); and
 - (e) paragraph 12(1) (Funding of the relevant costs by authorised persons or payment service providers) of Part 2 of Schedule 1A (Further provision about the Consumer Financial Education Body);
- (2) the following provisions of the Payment Services Regulations 2009 (SI 2009/209):

¹ (a) The new text in FEES 5.5A is solely made by the Financial Ombudsman Service.

(b) Changes to existing rules are made by whichever of the Financial Services Authority or Financial Ombudsman Service made the rule being changed or deleted.

(c) All other changes are made by the Financial Services Authority.

- (a) regulation 92 (Costs of supervision); and
 - (b) regulation 93 (Guidance); and
- (3) the following provisions of the Electronic Money Regulations 2011 (SI 2011/99):
- (a) regulation 59 (Costs of Supervision); and
 - (b) regulation 60 (Guidance).
- D. The rule-making powers listed above are specified for the purposes of section 153(2) (Rule-making instruments) of the Act.

Commencement

- E. This instrument comes into force on 1 July 2011.

Amendments to the Handbook

- F. 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)
Glossary of definitions	Annex A
Fees manual (FEES)	Annex B
Dispute Resolution: Complaints sourcebook (DISP)	Annex C

Citation

- G. This instrument may be cited as the Fees (Miscellaneous Amendments and Financial Ombudsman Service Rules) (No 2) Instrument 2011.

By order of the Board of the Financial Ombudsman Service Limited
22 June 2011

By order of the Board of the Financial Services Authority
23 June 2011

Annex A

Amendments to the Glossary of definitions

In this Annex, underlining indicates new text.

electronic money issuer ...
(2) (in *DISP* and *FEES 5.5A*) as in (1) but:
...

Annex B

Amendments to the Fees manual (FEES)

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

1.1 Application and purpose

- 1.1.1 G *FEES* applies to all *persons* required to pay a fee or levy under a provision of the *Handbook*. The purpose of this chapter is to set out to whom the *rules* and *guidance* in *FEES* apply. *FEES* 2 (General Provisions) contains general provisions which may apply to any type of fee payer. *FEES* 3 (Application, Notification and Vetting Fees) covers one-off fees payable on a particular event for example various application fees (including those in relation to authorisation, variation of *Part IV permission*, *listing* and the Basel Capital Accord) and fees relating to certain notifications and document vetting requests. *FEES* 4 (Periodic fees) covers all periodic fees and transaction reporting fees. *FEES* 5 (Financial Ombudsman Service Funding) relates to *FOS* levies (in *FEES* 5.1) and case fees (in *FEES* 5.5A). ~~and *FEES* 6 (Financial Services Compensation Scheme Funding) relates to the *FSCS* levy. *FEES* 7 relates to the *CFEB* levy.~~
- 1.1.2 R This manual applies in the following way:
...
FEES 1, 2 and 7 do not apply to an *incoming EEA firm* or an *incoming Treaty firm* that has not established a *branch* in the *United Kingdom*.
The application statement at *FEES* 1.1.2R(3) does not apply to *FEES* 5.5A, *FEES* 5 Annex 2R or *FEES* 5 Annex 3R.
- 1.1.3 G The application of *FEES* 5.5A and *FEES* 5 Annex 3R is set out in *FEES* 5.5A.1R. The relevant provisions of *FEES* 5 and *FEES* 2 are applied to *VJ participants* by the *standard terms* (see *DISP* 4).
...
- 2.1.1 R Except to the extent referred to in *FEES* 2.1.1AR, ~~This~~ this chapter applies to every *person* who is required to pay a fee or share of a levy to the *FSA*, *FOS Ltd* or *FSCS*, as the case may be, by a provision of the *Handbook*.
- 2.1.1A R This chapter does not apply in relation to *FEES* 5.5A, *FEES* 5 Annex 2R or *FEES* 5 Annex 3R.
...
- 2.1.4 G The purpose of this chapter is to set out the general provisions applicable to those who are required to pay fees or levies to the *FSA*, ~~case fees to the~~

~~FOS Ltd~~ or a share of the FSCS levy.

- 2.1.5 G Paragraph 17 of Schedule 1 to and section 99 of the *Act*, regulation 92 of the *Payment Services Regulations* and regulation 59 of the *Electronic Money Regulations* enable the FSA to charge fees to cover its costs and expenses in carrying out its functions. The corresponding provisions for the FSCS levy, FOS levies ~~and case fees~~ and CFEB levies are set out in FEES 6.1, FEES 5.2 and FEES 7.1.4G respectively. Case fees payable to the FOS Ltd are set out in FEES 5.5A. Fee-paying payment service providers and fee-paying electronic money issuers are not required to pay the FSCS levy but are liable for FOS levies.

...

- 2.2.1 R If a person does not pay the total amount of a periodic fee (including fees relating to *transaction reports* to the FSA using the FSA's Transaction Reporting System (see SUP 17)), FOS levy ~~or case fee~~, or share of the FSCS levy or CFEB levy, before the end of the date on which it is due, under the relevant provision in FEES 4, 5, 6 or 7, that person must pay an additional amount as follows:

...

...

- 2.2.2 G The FSA, (for periodic fees, FOS and FSCS levies and CFEB levies), ~~and the FOS Ltd (for FOS case fees)~~, expect to issue invoices at least 30 days before the date on which the relevant amounts fall due. ~~FOS case fees are invoiced on a monthly basis.~~ Accordingly it will generally be the case that a person will have at least 30 days from the issue of the invoice before an administrative fee becomes payable.

...

- 2.2.3 G Paragraph 17(4) and paragraph 19B of Schedule 1 to and section 99(5) of the *Act* permit the FSA to recover fees (including fees relating to *payment services*, the issuance of *electronic money* and, where relevant, FOS levies and CFEB levies), and section 213(6) permits the FSCS to recover shares of the FSCS levy payable, as a debt owed to the FSA and FSCS respectively, and the FSA and the FSCS, as relevant, will consider taking action for recovery (including interest) through the civil courts. ~~Also, the FOS Ltd (in respect of case fees) may take steps to recover any money owed to it (including interest).~~

- 2.2.4 G In addition, the FSA may be entitled to take regulatory action in relation to the non-payment of fees, FOS levies and CFEB levies. The FSA may also take regulatory action in relation to the non-payment of ~~FOS case fees or a share of the FSCS levy~~, after reference of the matter to the FSA by ~~the FOS Ltd or the FSCS respectively~~. What action (if any) that is taken by the FSA will be decided upon in the light of the particular circumstances of the case.

...

2.3.1 R If it appears to the *FSA*, or the *FSCS* (in relation to any *FSCS* levy only) ~~or the *FOS Ltd* (in relation to any *FOS* case fee only)~~, that in the exceptional circumstances of a particular case, the payment of any fee, *FSCS* levy, *FOS* levy or *CFEB* levy would be inequitable, the *FSA*, or the *FSCS* ~~or the *FOS Ltd*~~, as relevant, may (unless *FEES* 2.3.2BR applies) reduce or remit all or part of the fee or levy in question which would otherwise be payable.

2.3.2 R If it appears to the *FSA*, or the *FSCS* (in relation to any *FSCS* levy only) ~~or the *FOS Ltd* (in relation to any *FOS* case fee only)~~, that in the exceptional circumstances of a particular case to which *FEES* 2.3.1R does not apply, the retention by the *FSA*, the *FSCS*, ~~the *FOS Ltd*~~ or the *CFEB*, as relevant, of a fee, *FSCS* levy, *FOS* levy or *CFEB* levy which has been paid would be inequitable, the *FSA*, the *FSCS*, ~~the *FOS Ltd*~~ or the *CFEB*, may (unless *FEES* 2.3.2BR applies) refund all or part of that fee or levy.

...

Application

5.1.1 R ~~This chapter applies~~ Rules and guidance made by the *FSA* in this chapter apply to:

- (1) every *firm* which is subject to the *Compulsory Jurisdiction*, ~~and (apart from *FEES* 5.3, 5.4 and 5.8) every licensee which is subject to the *Consumer Credit Jurisdiction* of the *Financial Ombudsman Service*; and~~
- (2) every other *person* who is ~~subject to the *Compulsory Jurisdiction* in relation to relevant complaints.~~

5.1.1-A G Whilst no rule made by the *FSA* in this chapter applies to licensees subject to the *Consumer Credit Jurisdiction* or to *VJ participants*, some of the guidance may do. The application of rules made by the *FOS Ltd* in this chapter is set out in *FEES* 5.5A and described in *FEES* 5.1.2AG.

5.1.1A R A reference to "*firm*" in this chapter includes a reference to a *fee-paying payment service provider* and *fee-paying electronic money issuer* ~~except in *FEES* 5.5 and where "*firm*" is used elsewhere in this chapter in connection with the obligation to pay case fees.~~

5.1.1B R *FEES* 5.1.1.AR does not apply to *FEES* 5.5A or *FEES* 5 Annex 2R or Annex 3R unless otherwise stated in rules made by the *FOS Ltd*.

5.1.2 G ~~The relevant provisions of *FEES* 5 are applied to *VJ participants* by the *standard terms* (see *DISP* 4). The rules set out in the table under *FEES* 5.1.2AG are made by the *FOS Ltd*. All other *FEES* 5 rules are made by the *FSA*.~~

5.1.2A G Table of *FEES* 5 rules made by the *FOS Ltd*

<u>FEES 5 rules made by the FOS Ltd</u>	<u>Description</u>
<u>FEES 5.5A</u>	Rules relating to case fees
<u>FEES 5 Annex 2R</u>	<u>Annual Levy Payable in Relation to the Voluntary Jurisdiction</u>
<u>FEES 5 Annex 3R</u>	<u>Case Fees Payable</u>

- 5.1.3 G ~~References in this chapter to “firms” are to be construed, where relevant, as including:~~
- ~~(1) in accordance with the *Ombudsman Transitional Order*, *unauthorised persons* subject to the *Compulsory Jurisdiction* in relation to *relevant complaints* (see Transitional Provisions 6 and 7 of *DISP*); and~~
 - ~~(2) as a result of section 226 of the *Act*, *unauthorised persons* who were formerly *firms* in respect of complaints about acts or omissions which occurred at the time when they were *firms*, provided that the *Compulsory Jurisdiction* rules were in force in relation to the activity in question.~~
- ~~[deleted]~~
- 5.1.3A G ~~References in this chapter to *licensees* are to be construed, where relevant, as a result of section 226A of the *Act*, as including *persons* who were formerly *licensees* in respect of complaints about acts or omissions which occurred at the time when they were *licensees*, provided the complaint falls within a description specified in the *Consumer Credit Jurisdiction* rules in force at the time of the act or omission. [deleted]~~
- 5.1.4 R ~~A *firm* which is exempt under *DISP* 1.1.12R is also exempt from *FEES* 5.1, 5.2, 5.3, 5.4 and to *FEES* 5.6.~~
- ...
- 5.1.6 R ~~A *firm* which becomes exempt under *FEES* 5.1.4 R during the course of a *financial year* is to be treated for the purposes of its contribution to the *general levy*, as a *firm* to which *FEES* 5.9 applies. [deleted]~~
- 5.1.6A G *Firms* which cease to be *authorised* and therefore subject to the *Compulsory Jurisdiction* part way through the year will not receive a refund of their *general levy* except in exceptional circumstances.
- ...
- 5.3.7 G Under the *standard terms*, *VJ participants* will be required to pay to *FOS Ltd* an amount calculated on a similar basis towards the costs of operating the *Voluntary Jurisdiction* of the *Financial Ombudsman Service*, see *FEES 5 Annex 2R*. *FOS Ltd* will be responsible for invoicing and collecting this amount.

...

Delete all of FEES 5.5. The deleted text is not shown.

After FEES 5.5 [deleted] insert the following new section. The text is not underlined.

[Editor's Note: FEES 5.5A in part replaces (with amendments) other provisions in FEES 5. To assist readers, the identity of the previous provision is shown in italics under the new provision.]

5.5A Case fees

Application

- 5.5A.1
5.1.1R
- R The requirements in *FEES 5.5A* apply to:
- (1) every *firm, payment service provider or electronic money issuer* which is subject to the *Compulsory Jurisdiction* and every *licensee* which is subject to the *Consumer Credit Jurisdiction* of the *Financial Ombudsman Service*; and
 - (2) every other *person* who is subject to the *Compulsory Jurisdiction* in relation to *relevant complaints*.
- 5.5A.2
- G *DISP 4.2.6R* applies certain *rules* in *FEES* to *VJ participants* as part of the *standard terms*, but substituting '*VJ participant*' for '*firm*'. As a result, *VJ participants* are required to pay the case fees set out in *FEES 5.5A.6R, FEES 5.5A.13R and FEES 5 Annex 3R*.
- 5.5A.3
5.1.3G
- R References in *FEES 5.5A* to "*firms*" are to be construed, where relevant, as including:
- (1) in accordance with the *Ombudsman Transitional Order, unauthorised persons* subject to the *Compulsory Jurisdiction* in relation to *relevant complaints* (see *Transitional Provisions 6 and 7 of DISP*); and
 - (2) as a result of section 226 of the *Act, unauthorised persons* who were formerly *firms* in respect of complaints about acts or omissions which occurred at the time when they were *firms*, provided that the *Compulsory Jurisdiction* rules were in force in relation to the activity in question.
- 5.5A.4
5.1.3AG
- G References in *FEES 5.5A* and *FEES 5 Annex 3R* to *licensees* are to be construed, where relevant as a result of section 226A (Consumer credit jurisdiction) of the *Act*, as including *persons* who were formerly *licensees* in respect of complaints about acts or omissions which occurred at the

time when they were *licensees*, provided the complaint falls within a description specified in the *Consumer Credit Jurisdiction* rules in force at the time of the act or omission.

Purpose

- 5.5A.5
5.1.7G in
part and
5.1.13G
- R The purpose of *FEES 5.5A* is to set out the requirements on *firms*, *payment service providers*, *electronic money issuers*, *VJ participants* (through the *standard terms*) and *licensees* to pay case fees (invoiced and collected directly by the *FOS Ltd*) in order to fund the operation of the *Financial Ombudsman Service*. *FEES 5.5A* also provides for *unauthorised persons* to pay case fees to the *FOS Ltd* in respect of any *relevant complaints* which it handles.

Standard Case fee

- 5.5A.6
5.5.1R
- R A *firm* or a *licensee* must pay to the *FOS Ltd* the standard case fee specified in *FEES 5 Annex 3R* in respect of each *chargeable case* relating to that *firm* or *licensee* which is closed by the *Financial Ombudsman Service*, unless a special case fee is payable or has been paid in respect of that case under *FEES 5.5A.13R* to *FEES 5.5A.22R*.
- 5.5A.7
5.5.1AR
- R *FEES 5.5A.6R* applies to *payment service providers* and *electronic money issuers* in the same way as it applies to *firms*.
- 5.5A.8
5.5.2G
- G The standard case fee, which will be subject to consultation each year, will be calculated by dividing the *annual budget* for the *Compulsory Jurisdiction*, less the amount to be raised by the *general levy*, by the estimated number of *chargeable cases* which the *Financial Ombudsman Service* expects to close in the relevant *financial year*.
- 5.5A.9
5.5.2AG
- G For the purposes of the *Consumer Credit Jurisdiction*, the standard case fee, which will be subject to consultation each year, will be calculated by dividing the *annual budget* for the *Consumer Credit Jurisdiction*, less the amount to be raised by the sum determined by the *FOS Ltd* under section 234A (Funding by consumer credit licensees etc) of the *Act*, by the estimated number of *chargeable cases* which the *Financial Ombudsman Service* expects to close in the relevant *financial year*.
- 5.5A.10
5.5.3R
- R A *credit union* which is subject to the *minimum levy* in an *industry block* is not required to pay a standard case fee in respect of *chargeable cases* relating to that *industry block*.
- 5.5A.11
5.5.4R
- R Any *firm* falling into either *industry block 13* or *industry block 15* in *FEES 5 Annex 1R* is not required to pay the standard case fee in respect of *chargeable cases* relating to those *industry blocks*.
- 5.5A.12
5.5.5G
- G The *firms* in *industry blocks 13* and *15* are cash plan health providers and small *friendly societies*. These arrangements have been made in respect of these *firms* to take account of the fact that the amount at issue is likely to be small relative to the case fee. Instead, the full unit cost of handling

complaints against these *firms* will be recovered through the *general levy* in accordance with the relevant tariff-base and no case fee will be payable. Similar arrangements have been made under *FEES 5.5A.10R* in respect of small *credit unions*.

Special case fees: complaints from small businesses

5.5A.13
5.5.6R R A *firm* must pay to the *FOS Ltd* a special case fee, as specified in *FEES 5 Annex 3R* in respect of each *chargeable case* relating to that *firm* which is closed by the *Financial Ombudsman Service* and which was referred to the *Financial Ombudsman Service* by *eligible complainants* who fall within *DISP 2.7.3R(2)* or *DISP 2.7.6R(12)(a)*.

5.5A.14
5.5.6AR R *FEES 5.5A.13R* applies to *payment service providers* and *electronic money issuers* in the same way it applies to *firms*.

Special case fees: firms which cease to be authorised, persons which cease to be payment service providers or electronic money issuers and persons which cease to be licensees

5.5A.15
5.5.7R R A *firm* which ceases to be *authorised* must pay to the *FOS Ltd* a special case fee, as specified in *FEES 5 Annex 3R* in respect of each *chargeable case* relating to that *firm* which is closed by the *Financial Ombudsman Service* and which concerned an act or omission occurring when the *firm* was *authorised* and where the complaint was made after its *authorisation* ceased.

5.5A.16
5.5.7AR R *FEES 5.5A.15R* applies to *persons* which cease to be *licensees* in the same way as it applies to *firms* which cease to be *authorised*.

5.5A.17
5.5.7BR R *FEES 5.5A.15R* applies to *persons* which cease to be *payment service providers* or *electronic money issuers* in the same way as it applies to *firms* which cease to be *authorised*.

Special case fees: relevant complaints against persons who were subject to a former scheme

5.5A.18
5.5.8R R An *unauthorised person* who is subject to the *Compulsory Jurisdiction* in relation to a *relevant complaint* must pay to the *FOS Ltd* a special case fee as specified in *FEES 5 Annex 3R* in respect of each *chargeable case* relating to that *unauthorised person* which is closed by the *Financial Ombudsman Service*.

5.5A.19
5.5.9G G Under the *Ombudsman Transitional Order*, the *FOS Ltd* can handle complaints about members of a *former scheme* which that scheme could have handled before *commencement*, even if the *unauthorised person* concerned does not become *authorised* by the *FSA* after that date. Where the *FOS Ltd* handles those complaints, the *unauthorised person* concerned will be required to pay a special case fee.

Special case fees for 2001/02

- 5.5A.20
5.5.10R R A *firm* which was a member of *PIA* before *commencement* must pay to the *FOS Ltd* a special case fee, as specified in *FEES 5 Annex 3R*, in respect of each *chargeable case* relating to that firm received by the *Financial Ombudsman Service* after *commencement* and before 31 March 2002.
- 5.5A.21
5.5.11R R *FEES 5.5A.20R* does not apply in relation to a *chargeable case* which relates to a complaint which proceeded or would have proceeded under a *former scheme* other than the *PIA Ombudsman scheme*.
- 5.5A.22
5.5.12R R A *firm* which was not a member of a *former scheme* before the *commencement day* must pay to the *FOS Ltd* a special case fee, as specified in *FEES 5 Annex 3R*, in respect of each *chargeable case* which relates to business conducted by the firm after the *commencement day* and which is closed by the *Financial Ombudsman Service* before 31 March 2002.
- 5.5A.23
5.5.14G G A *firm* which was, before *commencement*, a member of *PIA* and a *former scheme* other than the *PIA Ombudsman scheme* will not, on account of the exclusion in *FEES 5.5A.21R*, be required to pay the special case fee specified by *FEES 5.5A.20R* in respect of all *chargeable cases* relating to it, but only those which arise in respect of investment business matters which would have been eligible under the *PIA Ombudsman scheme*.

Case fee exemption

- 5.5A.24
5.5.15R R Notwithstanding the above, a *firm*, *payment service provider*, *electronic money issuer* or *licensee* will only be liable for, and the *FOS Ltd* will only invoice for, the standard case fee or, as the case may be, the special case fee, in respect of the fourth and subsequent *chargeable cases* in any *financial year*.
- 5.5A.25
5.5.16G G A case fee exemption provision was first applied in the financial year 1 April 2004 to 31 March 2005. For that financial year only, each authorised firm was invoiced for a standard case fee for the third and subsequent chargeable case received by the *Financial Ombudsman Service*, subject to the annual levy having been invoiced and paid by the firm within the *Financial Ombudsman Service's* normal credit terms. For the financial year commencing 1 April 2005 and for subsequent financial years, the case fee exemption provision contained in *FEES 5.5A.24R* applies. This provision is not retrospectively applicable to financial years prior to 1 April 2005.
- 5.5A.26
5.1.4R R A *firm*, *payment service provider* or *electronic money issuer* which is exempt under *DISP 1.1.12R* is also exempt from *FEES 5.5A*.
- 5.5A.27
5.1.4AR R A *firm*, *payment service provider* or *electronic money issuer* will only be exempt from *FEES 5.5A.28R* to *FEES 5.5A.30R*, as applicable, for any given *financial year* if it met the conditions in *DISP 1.1.12R* on 31 March of the immediately preceding *financial year*.

Payment

- 5.5A.28
5.7.2R R A *firm* or *licensee* must pay to the *FOS Ltd* any standard case fee or special case fee which it is liable to pay under *FEES* 5.5A.6R, 5.5A.13R, 5.5A.15R, 5.5A.18R, 5.5A.20R, or 5.5A.22R, as appropriate, in respect of *chargeable cases* for which it is invoiced by the *FOS Ltd* within 30 calendar *days* of the date when the invoice is issued by the *FOS Ltd*.
- 5.5A.29
5.7.2AR R *FEES* 5.5A.28R applies to *payment service providers* and *electronic money issuers* in the same way it applies to *firms*.
- 5.5A.30
5.7.3R R A *firm* or an *unauthorised person* which is subject to the *Compulsory Jurisdiction* in relation to a *relevant complaint* must pay any standard case fee or special case fee within 30 calendar *days* of the date when the invoice is issued by the *FOS Ltd*.

Leaving the Financial Ombudsman Service

- 5.5A.31
5.9.1R R Where a *firm* ceases to be *authorised* part way through a *financial year*:
- (1) it will remain liable to pay standard case fees in respect of *chargeable cases* against it which are closed by the *Financial Ombudsman Service* for the remainder of that *financial year*; and
 - (2) it must pay the special case fee specified under *FEES* 5.5A.15R in respect of any other *chargeable cases* against it which are closed by the *Financial Ombudsman Service*.
- 5.5A.32
5.9.1AR R *FEES* 5.5A.31R applies to *persons* ceasing to be *licensees* or *payment service providers* or *electronic money issuers* part way through a *financial year* in the same way as it applies to *firms* which cease to be *authorised*.
- 5.5A.33
5.9.2G G *Firms*, *payment service providers* and *electronic money issuers* will continue to be liable for any case fees relating to *chargeable cases* closed by the *Financial Ombudsman Service* after they cease to be *authorised*, or cease to be *payment service providers* or *electronic money issuers*. *Firms*, *payment service providers* and *electronic money issuers* will be charged the standard case fee where the complaint was closed by the *Financial Ombudsman Service* before the end of the year in which their *authorisation* ceased or, as the case may be, they ceased to be *payment service providers* or they cease to be *electronic money issuers*. The special case fee will apply to any complaint closed after the end of that year since the *firm* or *payment service provider* or *electronic money issuer* will no longer be contributing to the *general levy*.
- 5.5A.34
5.9.3G G *Licensees* will also continue to be liable for any case fees relating to *chargeable cases* closed by the *Financial Ombudsman Service* after they cease to be *licensees*. *Licensees* will be charged the standard case fee where the complaint was closed by the *Financial Ombudsman Service*

before the end of the year in which they ceased to be *licensees*. The special case fee will apply to any complaint closed after the end of that year since the *licensee* will no longer be contributing to any sum determined under section 234A of the *Act*.

Late payments and remission of case fees

- 5.5A.35 R *FEES* 2.2.1R applies as if a reference in that rule to the *FOS* levy is a reference to case fees payable under *FEES* 5.5A and a reference to the *FSA* is a reference to the *FOS Ltd*.
- 5.5A.36 G The *FOS Ltd* (in respect of case fees) may take steps to recover any
2.2.4G money owed to it (including interest).
- 5.5A.37 R *FEES* 2.3.1R and 2.3.2R applies as if a reference in those rules to the *FOS* levy is a reference to case fees payable under *FEES* 5.5A and a reference to the *FSA* is a reference to the *FOS Ltd*.

Amend the following as shown.

- 5.7.2 R ~~A firm or licensee must pay to *FOS Ltd* any standard case fee or special case fee which it is liable to pay under *FEES* 5.5.1R, *FEES* 5.5.6R, *FEES* 5.5.7R, *FEES* 5.5.8R, *FEES* 5.5.10R, or *FEES* 5.5.12R, as appropriate, in respect of chargeable cases for which it is invoiced by *FOS Ltd* within 30 calendar days of the date when the invoice is issued by *FOS Ltd*. [deleted]~~
- 5.7.2A R ~~*FEES* 5.7.2R applies to payment service providers in the same way it applies to firms. [deleted]~~
- 5.7.3 R ~~A firm or an unauthorised person who is subject to the *Compulsory Jurisdiction* in relation to a relevant complaint must pay any standard case fee or special case fee within 30 calendar days of the date when the invoice is issued by *FOS Ltd*. [deleted]~~
- ...
- 5.9.1 R ~~Where a firm ceases to be authorised part way through a financial year.....*Financial Ombudsman Service*. [deleted]~~
- 5.9.1A R ~~*FEES* 5.9.1R applies to persons ceasing to be licensees or payment service providers part way through a financial year in the same way as it applies to firms which cease to be authorised. [deleted]~~
- 5.9.2 G ~~*Firms* which cease to be authorised part way through the year will not receive a refund of their general levy except in exceptional circumstances..... or payment service provider will no longer be contributing to the general levy. [deleted]~~
- 5.9.3 G ~~*Licensees* will also continue to be liable for any case fees relating to chargeable cases closed by the *Financial Ombudsman Service* after they~~

~~cease to be *licensees*. *Licensees* will be charged the standard case fee where the complaint was closed by the *Financial Ombudsman Service* before the end of the year in which they ceased to be *licensees*. The special case fee will apply to any complaint closed after the end of that year since the *licensee* will no longer be contributing to any sum determined under section 234A of the *Act*. [deleted]~~

...

Annex C

Amendments to the Dispute Resolution: Complaints sourcebook (DISP)

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

- 4.2.6 R The following *rules* in *FEES* apply to *VJ participants* as part of the *standard terms*, but substituting '*VJ participant*' for '*firm*':
- ...
- (7) ~~*FEES 5.5.1R*~~ *FEES 5.5A.6R* (standard case fee);
- (8) ~~*FEES 5.5.6R*~~ *FEES 5.5A.13R* (special case fee);
- (9) ~~*FEES 5.5.15R*~~ *FEES 5.5A.24R* (case fee exemption);
- ...
- (10) *FEES 5.7.1R*, ~~*5.7.2R to 5.7.4R*~~ *5.7.4R*, *5.5A.28R* and *5.5A.30R* (payments) but substituting, in *FEES 5.7.1R*, 'the *FOS Ltd*' for '*the FSA*' and 'annual levy specified in *FEES 5 Annex 2R*' for '*general levy*';
- ...

Sch 4 Powers Exercised

...

Sch 4.5 G The powers to make rules relating to the Ombudsman Scheme are shared between the *FSA* and the *FOS Ltd*. The *FOS Ltd's* rules are subject to *FSA* consent or approval. The rules made exclusively by the *FOS Ltd* are:

...	
<i>FEES 5</i>	<i>FEES 5.1.6R</i> <i>FEES 5.5</i> (all rules) <u><i>FEES 5.5A</i></u> (all rules) <i>FEES 5.7.2R</i> <i>FEES 5.7.3R</i> <i>FEES 5.9.1R</i> <i>FEES 5 Annex 2R</i> <i>FEES 5 Annex 3R</i>

...