

**LEGAL CUTOVER (FEES) INSTRUMENT 2013**

**WHEREAS:**

- A. The Authority has, in accordance with Article 5 of the Designation Order, appointed persons to exercise functions referred to in Article 5(1) of the Designation Order, which include the function of the Financial Conduct Authority of making rules, giving guidance and issuing codes.
- B. By virtue of Article 5(3)(a) of the Designation Order the persons appointed may discharge the relevant functions as if they were the governing body of the Financial Conduct Authority.
- C. By virtue of Article 7(1) of the Designation Order this Instrument shall be treated as if it had been made by the Financial Conduct Authority acting through its governing body.
- D. Article 2(1)(c) of the Early Commencement Order commenced certain of the Financial Conduct Authority's rule making and other powers for the purposes specified in Part 3 of the Schedule to that Order.
- E. Article 2(1)(c) of the Early Commencement Order commenced certain of the Prudential Regulation Authority's rule making and other powers for the purposes specified in Part 3 of the Schedule to that Order.

**Interpretation**

- 1 In this Instrument (including the Recitals):
  - (1) "Designation Order" means the Financial Services Act 2012 (Transitional Provisions) (Rules and Miscellaneous Provisions) Order 2013 (SI 2013/161);
  - (2) "Early Commencement Order" means the Financial Services Act 2012 (Commencement No. 1) Order 2013 (SI 2013/113);
  - (3) "the 2000 Act" means the Financial Services and Markets Act 2000;
  - (4) "the 2012 Act" means the Financial Services Act 2012;
  - (5) "the Authority" means the Financial Services Authority;
  - (6) "Financial Conduct Authority" means the body corporate referred to in section 1A of the 2000 Act as amended by section 6 of the 2012 Act; and
  - (7) "Prudential Regulation Authority" means the body corporate referred to in section 2A(1) of the 2000 Act as amended by section 6 of the 2012 Act.

**Rules etc. made, given or amended by the Financial Conduct Authority**

- 2 In accordance with Article 2(1)(c) of the Early Commencement Order in relation to the powers and related provisions specified in paragraph 3(1) and in accordance with Article 2(1)(c) of the Early Commencement Order and Article 6(1)(c) and 6(1)(d) of the Designation Order in relation to the powers and related provisions specified in paragraphs 3(2) to (4), and in the exercise of the powers and related provisions specified in paragraph 3(1) to (4), the Financial Conduct Authority makes, amends, issues, gives, or imposes each provision marked with either an [FCA] or an [FCA/PRA] in Annex A, Annex B, Annex C and Annex D to this Instrument.

- 3 The Financial Conduct Authority makes, amends, issues, gives or imposes the provisions in the Annexes to this Instrument in exercise of:
- (1) the following powers and related provisions of the 2000 Act, as amended by the 2012 Act:
    - (a) section 73A (Part 6 rules);
    - (b) section 137A (The FCA's general rules);
    - (c) section 137T (General supplementary powers);
    - (d) section 139A (Power of the FCA to give guidance).
    - (e) section 166(9) (Reports by skilled persons);
    - (f) section 166A(9) (Appointment of skilled person to collect and update information);
    - (g) section 213 (The compensation scheme);
    - (h) section 214 (General);
    - (i) section 223 (Management expenses);
    - (j) section 234 (Industry funding);
    - (k) paragraph 23 (Fees) of Part 3 (Penalties and Fees) of Schedule 1ZA (The Financial Conduct Authority) of the Act; and
    - (l) paragraph 12 of Part 2 (Funding) of Schedule 1A (Further provision about the Consumer Financial Education Body);
  - (2) the following provisions of the Payment Services Regulations 2009 (SI 2009/209):
    - (a) regulation 82 (Reporting requirements);
    - (b) regulation 92 (Costs of supervision); and
    - (c) regulation 93 (Guidance); and
  - (3) the following provisions of the Electronic Money Regulations 2011 (SI 2011/99):
    - (a) regulation 49 (Reporting requirements);
    - (b) regulation 59 (Costs of supervision); and
    - (c) regulation 60 (Guidance); and
  - (4) the following powers and related provisions in the Regulated Covered Bond Regulations 2008 (SI 2008/346):
    - (a) regulations 18, 20, 24 and 25 (notification requirements);
    - (b) regulation 42 (Guidance); and
    - (c) regulation 46 and paragraph 5 of Schedule 1 (fees).
- 4 The rule-making powers in paragraph 3 are specified for the purpose of section 138G (Rule-making instruments) of the 2000 Act, as amended by the 2012 Act.
- 5 In Annex B to this instrument, the "notes" (indicated by "**Note**") are included for the convenience of readers but do not form part of the legislative text.

**Commencement: Financial Conduct Authority**

- 6 The Financial Conduct Authority directs that paragraph 2 of this Instrument comes into force on 1 April 2013.

**Rules etc. made, given or amended by the Prudential Regulation Authority**

- 7 In accordance with Article 2(1)(c) of the Early Commencement Order and in the exercise of the powers and related provisions specified in paragraph 8, the Prudential Regulation Authority makes, amends, issues, gives, or imposes each provision marked with either a [PRA] or an [FCA/PRA] in Annex A, Annex B and Annex D to this Instrument.
- 8 The Prudential Regulation Authority makes, amends, issues, gives or imposes the provisions in Annex A, Annex B and Annex D to this Instrument in exercise of the following powers and related provisions of the 2000 Act, as amended by the 2012 Act:
  - (1) section 137G (The PRA’s general rules);
  - (2) section 137T (General supplementary powers);
  - (3) section 166(9) (Reports by skilled persons);
  - (4) section 166A(9) (Appointment of skilled person to collect and update information);
  - (5) section 213 (The compensation scheme);
  - (6) section 214 (General);
  - (7) section 223 (Management expenses)
  - (8) paragraph 31 (Fees) of Part 3 (Penalties and Fees) of Schedule 1ZB (The Prudential Regulation Authority) of the Act.
- 9 The rule-making powers in paragraph 8 are specified for the purpose of section 138G (Rule-making instruments) of the 2000 Act, as amended by the 2012 Act.
- 10 The Prudential Regulation Authority gives each provision in Annex B and Annex D that is marked with a G and a [PRA] or a G and an [FCA/PRA] as guidance.
- 11 In Annex B to this Instrument, the “notes” (indicated by “**Note**”) are included for the convenience of readers but do not form part of the legislative text.

**Commencement: Prudential Regulation Authority**

- 12 The Prudential Regulation Authority directs that paragraph 7 of this Instrument come into force on 1 April 2013.

**Amendments to the Handbooks**

- 13 The modules of the FCA’s and PRA’s Handbooks 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
Supervision manual (SUP)	Annex C
Credit Unions New sourcebook (CREDS)	Annex D

**Citation**

- 14 This Instrument may be cited as the Legal Cutover (Fees) Instrument 2013.

**By order of the persons appointed under Article 5 of the Designation Order to discharge specified functions of the Financial Conduct Authority as if they were its governing body**

19 March 2013

**By order of the Board of the Prudential Regulation Authority**

22 March 2013

## Annex A

### Amendments to the Glossary of definitions

In this Annex, the text is all new and is not underlined.

Insert the following new definition in the appropriate alphabetical position.

- fee year* (1) in relation to the *PRA*:
- [FCA/PRA] (a) before 1 March 2014: from and including 1 April 2013 to 28 February 2014 inclusive;
- (b) from and including 1 March 2014: 1 March to 28 February inclusive;
- (2) in relation to the *FCA*, 1 April to 31 March inclusive.

## 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

...

1.1.2 R This manual applies in the following way:

[FCA/  
PRA]

- (1) *FEES* 1, 2 and 3 apply to the fee payers listed in column 1 of the Table of application, notification and vetting fees in *FEES* 3.2.7R and *FEES* 3.2.7AR.

...

...

#### 2 General Provisions

##### 2.1 Introduction

...

Purpose

...

2.1.10 G ~~Paragraph 17(2) of Schedule 1 and section 99(3) to the Act prohibit the FSA from taking account of penalties received when setting its periodic and other fees. Accordingly periodic fees are specified without reference to the penalties received. However, the FSA normally expects to allocate those penalties to the fee blocks within which the penalty payers fall, by way of a deduction from the periodic fee. Any deductions of this sort are set out in the relevant fees provisions or will be notified to the fee payer at the relevant time. [deleted]~~

2.1.11 G ~~Whilst paragraph 17(2) of Schedule 1 to the Act has not been applied to the fee-raising power of the FSA under the *Payment Services Regulations* and the *Electronic Money Regulations*, regulation 92(2) and 59(2) of these regulations respectively require the FSA to apply amounts paid to it by way of penalties imposed under these regulations towards expenses incurred in carrying out its functions under the regulations, or for any incidental purpose. [deleted]~~

...

### 3 Application, Notification and Vetting Fees

#### 3.1 Introduction

Application

3.1.1 R This chapter applies to every *person* set out in column 1 of the Table of application, notification and vetting fees in *FEES 3.2.7R* and *FEES 3.2.7AR*.  
[FCA/  
PRA]

...

#### 3.2 Obligation to pay fees

General

3.2.1 R A *person* in column (1) of the table in *FEES 3.2.7R* and, if applicable, *FEES 3.2.7AR* as the relevant fee payer for a particular activity must pay to the ~~FS~~ FCA (in its own capacity or, if the fee is payable to the *PRA*, in its capacity as collection agent for the *PRA*) a fee for each application or request or vetting, or request for support relating to compatibility of its systems with *appropriate regulator* systems, or admission approval made, or notification or notice of exercise of a *Treaty right* given, or other matter as is applicable to it, as set out or calculated in accordance with the provision referred to in column (2) of ~~that~~ the appropriate table:  
[FCA/  
PRA]

...

...

Method of payment

3.2.3 R ...

[FCA/  
PRA]

(3) The sum payable under *FEES 3.2.1R* by a *firm* applying for a variation of its *Part 4A permission* (*FEES 3.2.7R*(p) and, if applicable, *FEES 3.2.7AR*(c)) must be paid by any of the methods described in (1) or by Maestro or credit card (Visa/Mastercard only). Any payment by a permitted credit card must include an additional 2% of the sum paid.

...

Delete the **PRA** version of *FEES 3.2.7R* (Table of application, notification and vetting fees) in its entirety. The deleted text is not shown.

Retain the **FCA** version of *FEES 3.2.7R* and amend this as shown.

3.2.7 R Table of application, notification and vetting fees payable to the FCA

[FCA]

(1) Fee payer	(2) Fee payable	Due date
...		
(g) Any applicant for recognition as a <i>UK recognised body</i> : (i) under section 287 <del>or section 288</del> of the <i>Act</i> ; or (ii) under regulation 2(1) of the <i>RAP regulations</i>	<i>FEES 3 Annex 3R, part 1</i>	On or before the date the application is made
(h) Any applicant for recognition as an <del>overseas recognised body</del> <i>ROIE</i> under section 287 or <del>section 288</del> and section 292 of the <i>Act</i>	<i>FEES 3 Annex 3R, part 2</i>	On or before the date the application is made
...		
(o) Either: (i) a <i>firm</i> applying to the <i>PRA appropriate regulator</i> for permission to use one of the <i>advanced prudential calculation approaches</i> listed in <i>FEES 3 Annex 6R</i> (or <i>guidance</i> on its availability), including any future proposed amendments to those approaches or (in the case of any application being made for such permission to the <i>PRA appropriate regulator</i> as <i>EEA consolidated supervisor</i> under the <i>Capital Requirements Regulations 2006</i> ) any <i>firm</i> making such an application; or (ii) in the case of an application to a <i>Home State regulator</i> other than the <i>PRA</i>	(a) Unless (2) applies, <i>FEES 3 Annex 6R</i> . (2) (a) Unless (b) applies a <i>firm</i> submitting a second application for the permission or <i>guidance</i> described in column (1) within 12 months of the first application (where the fee was paid in accordance with (1)) must pay 50% of the fee applicable to it under <i>FEES 3 Annex 6R</i> , but only in respect of that second application (b) No fee is payable by a <i>firm</i> in relation to a successful application for a permission based on a minded to grant decision in respect of the same matter following a complete application for <i>guidance</i> in accordance with prescribed	Where the <i>firm</i> has made an application directly to the <i>PRA appropriate regulator</i> , on or before the date the application is made, otherwise within 30 days after the <i>PRA appropriate regulator</i> notifies the <i>firm</i> that its <i>EEA parent's Home State regulator</i> has requested <del>the <i>PRA's</i></del> assistance.



<p><u>appropriate regulator</u> for the use of the Internal Ratings Based approach and the <i>Home State regulator</i> requesting the <i>PRA's appropriate regulator's</i> assistance in accordance with the <i>Capital Requirements Regulations 2006</i>, any firm to which the <i>PRA appropriate regulator</i> would have to apply any decision to permit the use of that approach.</p>	<p>submission requirements. (c) No fee is payable where the <i>Home State regulator</i> has requested the assistance of the <del><i>PRA</i></del> as described in paragraph (o)(ii) of column 1 except in the cases specified in <i>FEES 3 Annex 6R</i>.</p>	
<p>(p) A <i>firm</i> applying for a variation of its <i>Part 4A permission</i></p>	<p>(1) Unless (2) or (3) applies, if the proposed new business of the <i>firm</i> would fall within one or more activity groups specified in Part 1 of <del><i>FEES 4 Annex 1R</i></del> <i>FEES 4 Annex 1AR</i> or Part 1 of <u><i>FEES 4 Annex 1BR</i></u> not applicable before the application, the fee is 50% of the highest of the tariffs set out in <i>FEES 3 Annex 1R</i> which apply to that application</p> <p>...</p> <p>(4) in all other cases, other than applications by <i>credit unions</i>, the fee payable is 250 for <u><i>firms which are not, or are not seeking to become, a PRA-authorised person,</i></u> and 125 for <u><i>firms which are, or are seeking to become, a PRA-authorised person,</i></u> unless the variation involves only the reduction (and no other increases) in the scope of a <i>Part 4A permission</i> in which case</p>	<p>On or before the date the application is made</p>

	no fee is payable.	
...		
<p>(s) In the case of an <i>insurance business transfer scheme</i>, a transferor.</p> <p>Note - for the purpose of this paragraph an <i>insurance business transfer scheme</i> consists of a single transferor and a single transferee. Where however such a scheme is part of a single larger scheme, that larger scheme is treated as a single <i>insurance business transfer scheme</i>. If an <i>insurance business transfer scheme</i> includes more than one transferor in accordance with this paragraph, the transferors are liable to pay the fee under column (2) jointly.</p>	<p>Either (1) or (2) as set out below:</p> <p>(1) In the case of an <i>insurance business transfer scheme</i> involving <i>long term insurance business</i>, 9,250 <del>to the PRA and 9,250 is payable</del> to the <i>FCA</i>; or</p> <p>(2) in the case of an <i>insurance business transfer scheme</i> not involving <i>long term insurance business</i>, 5,000 <del>to the PRA and 5,000 is payable</del> to the <i>FCA</i>.</p> <p><del>The amount payable to the PRA above is collected by the FCA as agent of the PRA.</del></p>	<p>On or before any application is made to the <i>PRA</i> for the appointment of a person as an <i>independent expert</i>.</p>
...		
<p>(zf) <del>An applicant for a ceding insurer's waiver. [deleted]</del></p>	20,000	<p>On or before the date the application is made.</p>
...	...	...
<p>(zp) <u>A person in respect of which the appropriate regulator has given notice of its intention to itself appoint a skilled person to provide it with a report pursuant to section 166(3)(b) of the Act and SUP 5.2.</u></p>	<p><u>Any amount invoiced to the appropriate regulator by a skilled person in relation to any work carried out by that skilled person in connection with its appointment by the appropriate regulator pursuant to section 166(3)(b) of the Act.</u></p>	<p><u>Within 30 days of the date of the invoice.</u></p>

<p><u>(zq) A person in respect of which the appropriate regulator has given notice of its intention to itself appoint a skilled person to collect or update information pursuant to section 166A(2)(b) of the Act.</u></p>	<p><u>Any amount invoiced to the appropriate regulator by a skilled person in relation to any work carried out by that skilled person in connection with its appointment by the appropriate regulator pursuant to section 166A(2)(b) of the Act.</u></p>	<p><u>Within 30 days of the date of the invoice.</u></p>
<p>...</p>		

...

3.2.7A R Table of application, notification and vetting fees payable to the PRA  
[PRA]

<u>(1) Fee payer</u>	<u>(2) Fee payable</u>	<u>Due date</u>
<p><u>(a) Any applicant for Part 4A permission (including an incoming firm applying for top-up permission) which includes a PRA-regulated activity</u></p>	<p><u>(1) Unless (2) applies, in respect of a particular application, the highest of the tariffs set out in FEES 3 Annex 1R part 1 which apply to that application.</u> <u>(2) In respect of a particular application which is:</u> <u>(i) a straightforward or moderately complex case for the purposes of FEES 3 Annex 1R part 1, and</u> <u>(ii) only involves a simple change of legal status as set out in FEES 3 Annex 1R part 6, the fee payable is 50% of the tariff that would otherwise be payable in FEES 3 Annex 1R part 1.</u></p>	<p><u>On or before the application is made</u></p>
<p><u>(b) Any Treaty firm that wishes to exercise a Treaty right to qualify for authorisation under</u></p>	<p><u>(1) Where no certificate has been issued under paragraph 3(4) of Schedule 4 to the Act the</u></p>	<p><u>On or before the notice of exercise is given</u></p>

<p><u>Schedule 4 to the Act (Treaty rights) in respect of regulated activities for which it does not have an EEA right, except for a firm providing cross border services only</u></p>	<p><u>fee payable is, in respect of a particular exercise, set out in FEES 3 Annex 1R, part 4.</u> <u>(2) Where a certificate in (1) has been issued no fee is payable.</u></p>	
<p><u>(c) A firm applying for a variation of its Part 4A permission or an FCA- authorised person applying to carry on a PRA-regulated activity</u></p>	<p><u>(1) Unless (2) or (3) applies, if the proposed new business of the firm would fall within one or more activity groups specified in Part 1 of FEES 4 Annex 1AR or Part 1 of FEES 4 Annex 1BR not applicable before the application, the fee is 50% of the highest of the tariffs set out in FEES 3 Annex 1R which apply to that application.</u> <u>(2) If the only change is that the A.12 activity group tariff applied to the firm's business before the variation and the A.13 activity group will apply after variation, no fee is payable.</u> <u>(3) If the firm is in the A.1 fee-block at the date of the application and the variation involves adding any of the regulated activities of meeting of repayment claims or managing dormant account funds (including the investment of such funds), the fee is 50% of the fee in FEES 3 Annex 1R that applies to that application.</u> <u>(4) In all other cases, other than applications by credit unions, the fee payable is 125, unless the</u></p>	<p><u>On or before the date the application is made</u></p>

	variation involves only the reduction (and no other increases) in the scope of a <i>Part 4A permission</i> in which case no fee is payable.	
<u>(d) Any person to which the Special Project Fee for restructuring applies under FEES 3 Annex 9.</u>	<u>Special Project Fee for restructuring in accordance with FEES 3 Annex 9.</u>	<u>30 days of the date of the invoice.</u>
<u>(e) In the case of an insurance business transfer scheme, a transferor.</u>  <u>Note - for the purpose of this paragraph an insurance business transfer scheme consists of a single transferor and a single transferee. Where however such a scheme is part of a single larger scheme, that larger scheme is treated as a single insurance business transfer scheme. If an insurance business transfer scheme includes more than one transferor in accordance with this paragraph, the transferors are liable to pay the fee under column (2) jointly.</u>	<u>Either (1) or (2) as set out below:</u> <u>(1) In the case of an insurance business transfer scheme involving long term insurance business, 9,250 is payable to the PRA; or</u> <u>(2) in the case of an insurance business transfer scheme not involving long term insurance business, 5,000 is payable to the PRA.</u>  <u>The amount payable to the PRA above is collected by the FCA as agent of the PRA.</u>	<u>On or before any application is made to the PRA for the appointment of a person as an independent expert.</u>
<u>(f) Either:</u> <u>(i) a firm applying to the appropriate regulator for permission to use one of the advanced prudential calculation approaches listed in FEES 3 Annex 6R (or guidance on its availability), including any future proposed</u>	<u>(a) Unless (2) applies, FEES 3 Annex 6 R.</u> <u>(2) (a) Unless (b) applies a firm submitting a second application for the permission or guidance described in column (1) within 12 months of the first application (where the fee was paid in</u>	<u>Where the firm has made an application directly to the appropriate regulator, on or before the date the application is made, otherwise within 30 days after the appropriate regulator notifies the</u>

<p><u>amendments to those approaches or (in the case of any application being made for such permission to the appropriate regulator as EEA consolidated supervisor under the Capital Requirements Regulations 2006) any firm making such an application; or</u>  <u>(ii) in the case of an application to a Home State regulator other than the appropriate regulator for the use of the Internal Ratings Based approach and the Home State regulator requesting the appropriate regulator's assistance in accordance with the Capital Requirements Regulations 2006, any firm to which the appropriate regulator would have to apply any decision to permit the use of that approach.</u></p>	<p><u>accordance with (1)) must pay 50% of the fee applicable to it under FEES 3 Annex 6R, but only in respect of that second application.</u>  <u>(b) No fee is payable by a firm in relation to a successful application for a permission based on a minded to grant decision in respect of the same matter following a complete application for guidance in accordance with prescribed submission requirements.</u>  <u>(c) No fee is payable where the Home State regulator has requested the assistance described in paragraph (o)(ii) of column 1 except in the cases specified in FEES 3 Annex 6R.</u></p>	<p><u>firm that its EEA parent's Home State regulator has requested assistance.</u></p>
<p><u>(g) An applicant for a ceding insurer's waiver.</u></p>	<p><u>20,000</u></p>	<p><u>On or before the date the application is made.</u></p>
<p><u>(h) A person in respect of which the appropriate regulator has given notice of its intention to itself appoint a skilled person to provide it with a report pursuant to section 166(3)(b) of the Act and SUP 5.2.</u></p>	<p><u>Any amount invoiced to the appropriate regulator by a skilled person in relation to any work carried out by that skilled person in connection with its appointment by the appropriate regulator pursuant to section 166(3)(b) of the Act.</u></p>	<p><u>Within 30 days of the date of the invoice.</u></p>
<p><u>(i) A person in respect of which the appropriate regulator</u></p>	<p><u>Any amount invoiced to the appropriate regulator by a skilled person in</u></p>	<p><u>Within 30 days of the date of the invoice.</u></p>

<p><u>has given notice of its intention to itself appoint a <i>skilled person</i> to collect or update information pursuant to section 166A(2)(b) of the <i>Act</i>.</u></p>	<p><u>relation to any work carried out by that <i>skilled person</i> in connection with its appointment by the <i>appropriate regulator</i> pursuant to section 166A(2)(b) of the <i>Act</i>.</u></p>	
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**3 Annex 1R Authorisation fees payable**

[FCA/  
PRA]

...

Part 1 - Authorisation fees payable

...

For *FCA-authorised persons* and *persons* seeking to become *FCA-authorised persons*, the amount payable to the *FCA* is the amount payable under Part 1, No amount is payable to the *PRA*.

Part 4 – authorisation fees for Treaty Firms R

If the *Treaty firm* wishes to undertake the permitted activities in question through its branch in the *United Kingdom*, the fee is 50% of the fee that would be payable under *FEES 3.2.7R* and/or *FEES 3.2.7AR* for an applicant for *Part 4A permission*.

If the *Treaty firm* wishes to undertake the permitted activities in question by providing services in the *United Kingdom*, the fee is 25% of the fee which would be payable under *FEES 3.2.7R* and/or *FEES 3.2.7AR* for an applicant for *Part 4A permission*.

Part 5 – Activity Groupings R

The activity group definitions are set out in ~~*FEES 4 Annex 1R*~~ *FEES 4 Annex 1AR* and *FEES 4 Annex 1BR*.

Part 6 – Change of legal status

An application involving only a simple change of legal status for the purposes of *FEES 3.2.7R(a)*, *FEES 3.2.7AR(a)*, *FEES 3.2.7R(y)*, *FEES 3.2.7R(za)*, *FEES 3.2.7R(zg)* and *FEES 3.2.7R(zh)* is from an applicant:

...

...

...

**3 Annex 3 R**  
[FCA]

**Application fees payable in connection with Recognised Investment Exchanges, ~~Recognised Clearing Houses~~ and Recognised Auction Platforms**

Description of applicant	Amount payable	Due date
Part 1 (UK recognised bodies)		
Applicant for recognition as a <i>UK RIE</i>	100,000	Date the application is made
<del>Applicant for recognition as a <i>UK RCH</i></del>	<del>100,000</del>	<del>Date the application is made</del>
Applicant for recognition as an <i>RAP</i> (payable in addition to any other application fee due under this part)	35,000	Date the application is made
Additional fees for a <i>UK RIE</i> <del>or <i>UK RCH</i></del> applicant who proposes to:		
<del>– act as a central counterparty</del>	<del>25,000</del>	<del>Date the application is made</del>
- offer safeguarding and administration services	25,000	Date the application is made
- use substantially new and untested information technology systems in the performance of its relevant functions	25,000	Date the application is made
Part 2 ( <del>overseas recognised bodies</del> <i>ROIEs</i> )		
Applicant for recognition as a recognised overseas investment exchange	50,000	Date the application is made
<del>Applicant for recognition as a recognised overseas</del>	<del>50,000</del>	<del>Date the application</del>



clearing house		is made
Additional fees for applicant who proposes to:		
<del>act as a central counterparty</del>	25,000	<del>Date the application is made</del>
- offer safeguarding and administration services	25,000	Date the application is made

...

**3 Annex 6R Fees payable for a permission or guidance on its availability in connection with the Basel Capital Accord**

[FCA/  
PRA]

...

...

(4) Where a request for assistance regarding an Advanced or Foundation IRB application under the *Capital Requirements Regulations 2006* has been made as detailed in *FEES 3.2.7R(o)* or *FEES 3.2.7AR(f)*, the fees in Table 1 and Table 2 are applicable if any *firm* referred to in *FEES 3.2.7R(o)(ii)* and *FEES 3.2.7AR(f)(ii)* meets the following conditions:

...

...

...

**3 Annex 9 Special Project Fee for restructuring**

[FCA/  
PRA]

(1)R The Special Project Fee for restructuring (the SPFR) is only payable by a *person* in one of the following categories:

- (a) if it is in any of the A fee-blocks (as defined in Part 1 of *FEES 4 Annex 1R* Annex 1AR in respect of the *FCA* and Part 1 of *FEES 4 Annex 1BR* in respect of the *PRA*), ~~except if it is in fee block A.16 only~~; or
- (b) ...
- (d) ~~if it is a recognised clearing house; or [deleted]~~
- (e) if it is in any of the B fee-blocks (as defined in Part 1 of *FEES 4 Annex 1R* Annex 1AR and *FEES 4 Annex 1BR*).

...

(7A)R The FCA and the PRA will levy separate SPFRs. The use of the term “appropriate regulator” in FEES 3 Annex 9R refers to the regulator levying the SPFR.

(8)R No SPFR is payable to an appropriate regulator:

- (a) if the amount calculated in accordance with (9) in relation to the regulatory work conducted by the appropriate regulator totals less than £50,000; or
- (b) ...

(9)R The SPFR for the appropriate regulator is calculated as follows:

...

...

(11)R Table of FCA hourly rates:

<del>FSA</del> <u>FCA</u> pay grade	Hourly rate (£)
...	
Any other person employed by the <del>FSA</del> <u>FCA</u>	160

(11)AR Table of PRA hourly rates:

<u>PRA</u> pay grade	<u>Hourly rate (£)</u>
<u>Administrator</u>	<u>30</u>
<u>Associate</u>	<u>55</u>
<u>Technical Specialist</u>	<u>100</u>
<u>Manager</u>	<u>110</u>
<u>Any other person employed by the PRA</u>	<u>160</u>

...

### 3 Annex 11G **Guidance on fees due under FEES 3.2.7R and FEES 3.2.7AR**

[FCA/ The following table sets out *guidance* on how a *firm* liable to pay a fee under both FEES 3.2.7R(s) and FEES 3.2.7R(ze) in respect of fees payable to the FCA and

PRA] FEES 3.2.7AR(e) and FEES 3.2.7AR(d) in respect of fees payable to the PRA for the same transaction should expect to be treated.

**Firms liable under both FEES 3.2.7R(s) and FEES 3.2.7R(ze) in respect of fees payable to the FCA and FEES 3.2.7AR (e) and FEES 3.2.7AR(d) in respect of fees payable to the PRA**

(1)	The transferor in <i>insurance business transfer schemes</i> is liable to pay the fee set out in <i>FEES 3.2.7R(s)</i> and/or <i>FEES 3.2.7AR(e)</i> . However, it may also be liable to pay the Special Project Fee for restructuring set out in <i>FEES 3.2.7R(ze)</i> and/or <i>FEES 3.2.7AR(d)</i> , calculated in accordance with <i>FEES 3 Annex 9R</i> . It is possible then for a <i>firm</i> to have to pay two types of fees in respect of the same <i>insurance business transfer scheme</i> .
...	

**4 Periodic fees**

**4.1 Introduction**

...

Background

...

4.1.3 G Most of the detail of the periodic fees that are payable by *firms* is set out in *FEES 4 Annexes 1A* to 11. *FEES 4 Annex 12G* provides guidance on the calculation of certain tariffs. Most of the provisions of the Annexes will vary from one ~~financial year~~ *fee year* to another. Accordingly fresh *FEES 4 Annexes* will come into force, following consultation, for each ~~financial year~~ *fee year*.

[FCA/  
PRA]

[Note: References to the fee period 1 April 2012 to 31 March 2013 have been updated to 1 April 2013 to 31 March 2014 in respect of the FCA and 1 April 2013 to 28 February 2014 in respect of the PRA to put into effect the rule changes contained in the Legal Cutover (Fees) Instrument 2013 only. The tariff rates set out in the FEES 4 Annexes have not yet been updated for the 2013/2014 fee year. The rates for the 2013/2014 fee year will be made by the FCA and PRA boards in June, following a consultation on a separate fees rates instrument expected to be published in March 2013.]

...

4.1.6 G ~~The FSA will allocate penalties received for the benefit of relevant fee payers by way of a permitted deduction specified in FEES 4 Annex 2 R or FEES 4 Annex 11 R as applicable. [deleted]~~

...

## 4.2 Obligation to pay periodic fees

### General

4.2.1 R A *person* shown in column (1) of the table in *FEES* 4.2.11R and, if applicable, *FEES* 4.2.11AR as the relevant fee payer must pay each periodic fee applicable to it, calculated in accordance with the provisions referred to in column (2) of ~~that~~ the applicable table, as adjusted by any relevant provision in this chapter:

...

4.2.2 G (1) A relevant fee payer will be required to pay a periodic fee for every year during which they have the status in column 1 of the table in *FEES* 4.2.11R and/or *FEES* 4.2.11AR (or in relation to collective investment schemes, for every year during which it is a regulated collective investment scheme) subject to any reductions or exemptions applicable under this chapter. If a *person* is the relevant fee payer for more than one status listed in column 1 of the table in *FEES* 4.2.11R and/or *FEES* 4.2.11AR (or in relation to collective investment schemes, the relevant fee payer for more than one regulated collective investment scheme) he will be required to pay a fee in relation to each.

...

...

Modifications for persons becoming subject to periodic fees during the course of a financial year

...

4.2.6 R (1) Unless (2) applies, if the event, as described in column 4 of the table in *FEES* 4.2.11R and/or *FEES* 4.2.11AR, giving rise to, or giving rise to an increase in, the fee payable in *FEES* 4.2.1R, occurs on or after 1 July of the relevant *fee year*, the periodic fee required under *FEES* 4.2.1R is modified for:

(a) ...

(b) for all other fee payers in column (1) of the table in *FEES* 4.2.11R or *FEES* 4.2.11AR, in accordance with the table below.

Period in which event (in column 4 of the table in <i>FEES</i> 4.2.11 R <u>or <i>FEES</i> 4.2.11AR</u> ) occurs	Proportion of periodic fee payable
---	------------------------------------

<u>Fees payable to the FCA</u>	
1 April to 30 June inclusive	100%
1 July to 30 September inclusive	75%
1 October to 31 December inclusive	50%
1 January to 31 March inclusive	25%
<u>Fees payable to the PRA for <i>fee year</i> 2013/14</u>	
<u>1 April to 30 June inclusive</u>	<u>100%</u>
<u>1 July to 30 September inclusive</u>	<u>75%</u>
<u>1 October to 31 December inclusive</u>	<u>50%</u>
<u>1 January to 28 February inclusive</u>	<u>25%</u>

- (2) For *recognised bodies*, if the recognition order is made during the course of the relevant ~~financial year~~ *fee year*, the periodic fee required is set out in Column (4) of the table in *FEES* 4.2.11R.

4.2.7  
[FCA/  
PRA]

R A *firm* (other than an *ICVC* or *UCITS qualifier*) which becomes authorised or registered, or whose *permission* and/or *payment service* activities are extended, during the course of the ~~financial year~~ *fee year* must pay a fee which is calculated by:

- (1) identifying each of the tariffs set out in Part 1 of ~~*FEES* 4 Annex 2R~~ Annex 2AR, Part 1 of *FEES* 4 Annex 2BR and/or Part 1 of *FEES* 4 Annex 11R, as appropriate, for the relevant ~~financial year~~ *fee year* that apply to the *firm* only after the *permission* is received or extended or *payment service* activities are authorised or registered or extended or *electronic money* issuance activities are authorised or registered under the *Electronic Money regulations*, but ignoring:
- ...
- (2) calculating the amount for each of ~~those~~ the applicable tariffs which is the higher of:
- (a) ~~the any applicable~~ any applicable minimum fee specified in relation a particular tariff in *FEES* 4 Annex 2AR or *FEES* 4 Annex 2BR (but note, for the avoidance of doubt, that these are not the A.0 or PA.0 minimum fee fees set out under Part 1A of *FEES* 4 Annex 2R Part 2 of *FEES* 4 Annex 2AR and Part 2 of *FEES* 4 Annex 2BR specified for the tariff (where this applies); and

...

- (3) adding together the amounts calculated under (2) in relation to fees payable to the FCA and, if applicable, separately adding together the amounts calculated under (2) in relation to the fees payable to the PRA;
- (4) working out whether a an A.0 or a PA.0 minimum fee is payable under ~~Part 1A of FEES 5 Annex 2R~~ Part 2 of FEES 4 Annex 2AR or Part 2 of FEES 4 Annex 2BR (except that that minimum fee is not payable again by a firm whose permission is extended if the fee was already payable before the extension);
- (4A) working out whether an AP.0 FCA prudential fee is payable under Part 2 of FEES 4 Annex 2AR and if so how much;
- (4B) working out whether a PT.1 PRA transitional fee is payable under Part 2 of FEES 4 Annex 2BR and if so how much;
- (5) adding together the amounts calculated under (3), ~~and (4)~~ and (4A) that relate to fees payable to the FCA and then adding this sum to any applicable flat rate fee, and, if applicable, separately adding together the amounts calculated under (3), (4) and (4B) that relate to fees payable to the PRA and then adding this sum to any applicable flat rate fee; and
- (6) modifying the result for the FCA and, if applicable, the PRA as indicated by the table in FEES 4.2.6R (except that FEES 4 Annex 10 (Periodic fees for MTF operators) deals with a firm that receives permission for operating a multilateral trading facility or has its permission extended to include this activity during the course of the relevant ~~financial year~~ fee year and FEES 4.2.6R does not apply).

...

- 4.2.7B R (1) This rule deals with the calculation of:
- [FCA/  
PRA]
- (a) a firm's fees for its second and subsequent ~~financial year~~ fee year. These are the ~~FSA financial years~~ fee years following the ~~FSA financial year~~ fee year in which it was given permission and/or was authorised or registered under the Payment Services Regulation or the Electronic Money Regulations or had its permission and/or payment services activities extended (the relevant permissions); and
  - (b) the tariff base for the fee block or fee blocks that relate to each of the relevant permissions.
- (2) The starting point for calculating the fees referred to in (1)(a) is determining whether or not the firm's tariff base for the relevant ~~FSA financial year~~ fee year can be calculated using data from a complete

period (as specified in ~~FEES 4 Annex 2~~ Part 5 of FEES 4 Annex 1AR, Part 5 of FEES 4 Annex 1BR or Part 4 of FEES 4 Annex 11R) that begins on or after the date that the *firm* obtained the relevant *permission* to which that tariff base relates.

- (a) If it can, the *firm* must use that data for calculating its tariff base.
- (b) If it cannot, the tariff base must be calculated using the projected valuations for its first year of the business to which the tariff relates (as provided to the ~~FSA~~ in the course of the *firm's* application), unless (5)(b) or (5)(c) applies.

...

(4) ~~A reference to “FSA financial year” means the 12 months ending with 31 March [deleted]~~

(5)

...

- (b) If a *firm*:
  - (i) receives a relevant permission between 1 April and 31 December inclusive; and

...

it must calculate that tariff base as at the December before the start of the ~~FSA financial year~~ *fee year*.

- (c) If a *firm*:
  - (i) is, but for this *rule*, required to calculate its tariff base for the relevant permission by reference to the *firm's* financial year ended in the calendar year ending on the 31 December before the start of the ~~FSA financial year~~ *fee year* and, since obtaining the relevant permission, the *firm* has yet to complete a full financial year ended in the calendar year ending on the 31 December before the start of the ~~FSA financial year~~ *fee year*; or
  - (ii) is, but for this *rule*, required to calculate its tariff base by reference to the twelve *months* ending on the 31 December before the start of the ~~FSA financial year~~ *fee year* and, since obtaining the relevant permission, the *firm* has yet to complete a full twelve *months* ending on the 31 December before the start of the ~~FSA financial year~~ *fee year*;

it must calculate the tariff base under (d) below unless it is in its second ~~FSA financial year~~ *fee year* and was authorised between 1 January and 1 April (in which case it must use the projected valuations provided for in (2)(b) above.

(d) If a *firm* satisfies either of the conditions in (c) it must calculate its tariff base as follows:

(i) ...

(ii) in respect of *firms* satisfying condition (5)(c)(i), the tariff is calculated by reference to the period beginning on the date it acquired the relevant permission relating to the tariff, and ending on either the 31 December before the start of the ~~FSA financial~~ *fee year* or, if earlier, the start date of the *firm's* financial year; and

in respect of *firms* satisfying condition (5)(c)(ii), the tariff is calculated by reference to the period beginning on the date on which it acquired the relevant permission, and ending on the 31 December before the start of the ~~FSA financial~~ *fee year*;

...

(e) Where a *firm* is required to use the method in (d) it must notify the ~~FSA~~ FCA (in its own capacity and, if applicable, in its capacity as collection agent for the *PRA*) of this by the date specified in *FEES* 4.4R (Information on which Fees are calculated).

(f) Where a firm is required to use actual data under this *rule* ~~*FEES* 4 Annex 1R Part 3~~ *FEES* 4 Annex 1AR Part 5, *FEES* 4 Annex 1BR Part 5 and *FEES* 4 Annex 11R Part 4, are modified, where applicable, in relation to the calculation of that *firm's* valuation date in the ~~FSA financial~~ *fee years* to which this *rule* applies.

...

Fee payers ceasing to hold relevant status or reducing the scope of their permission after the state of relevant period

4.2.9 R The *appropriate regulator* will not refund periodic fees if, after the start of the period to which they relate:  
[FCA/  
PRA]

(1) a fee payer ceases to have the status set out in column (1) of the table in *FEES* 4.2.11R or *FEES* 4.2.11AR; or



...

...

Delete the **PRA** version of FEES 4.2.11R (Table of periodic fees) in its entirety. The deleted text is not shown.

Retain the **FCA** version of FEES 4.2.11R and amend this as shown.

4.2.11 R Table of periodic fees payable to the *FCA*

[FCA]

1 Fee payer	2 Fee payable	3 Due date	4 Events occurring during the period leading to modified periodic fee
Any <i>firm</i> (except an <i>ICVC</i> or a <i>UCITS qualifier</i> )	As specified in <i>FEES 4.3.1R</i> in relation to <i>FEES 4 Annex 2AR</i> and <i>FEES 4 Annex 11R</i>	(1) Unless (2) or (3) apply, on or before the relevant dates specified in <i>FEES 4.3.6R</i> . (2) Unless (3) applies, if an event specified in column 4 occurs during the course of a <del>financial year</del> <i>fee year</i> , 30 days after the occurrence of that event, or if later the dates specified in <i>FEES 4.3.6R</i> . (3) Where the <i>permission</i> is for operating a <i>multilateral trading facility</i> , the date specified in <i>FEES 4 Annex 10R</i> (Periodic fees for MTF operators).	<i>Firm</i> receives <i>permission</i> , or becomes authorised or registered under the <i>Payment Services Regulations</i> or the <i>Electronic Money Regulations</i> ; or <i>firm</i> extends <i>permission</i> or its <i>payment service</i> activities
...			
<i>UK recognised</i>	<i>FEES 4 Annex</i>	(1) Unless (2)	<i>Recognition</i>

<i>body</i>	6R, part 1 for a <i>UK RIE</i> <del>or <i>UK RCH</i></del> ; and <i>FEES 4 Annex 6R, part 1A</i> for a <i>UK RIE</i> that is also an <i>RAP</i>	applies, by the due dates set out in <i>FEES 4 Annex 6R, part 1</i> and (in the case of an <i>RAP</i> ) part 1A  (2) If the event in column 4 occurs during the course of a financial year, 30 days after the occurrence of that event	<i>order</i> is made. The modified periodic fee is specified in <i>FEES 4 Annex 6R, Part 1</i> and (in the case of an <i>RAP</i> ) Part 1A.
<i>overseas recognised body ROIE</i>	<i>FEES 4 Annex 6R, part 2</i>	(1), unless (2) applies, 1 July. (2) If the event in column 4 occurs during the course of a financial year, 30 days after the occurrence of that event.	<i>Recognition order</i> is made. The modified periodic fee is specified in <i>FEES 4 Annex 6R, Part 2</i> .
...			

4.2.11A R Table of periodic fees payable to the PRA

[PRA]

<u>1 Fee payer</u>	<u>2 Fee payable</u>	<u>3 Due date</u>	<u>4 Events occurring during the period leading to modified periodic fee</u>
<u>Any firm</u>	<u>As specified in <i>FEES 4.3.1R</i> in relation to <i>FEES 4 Annex 2BR</i></u>	<u>(1) Unless (2) applies, on or before the relevant dates specified in <i>FEES 4.3.6R</i>. (2) if an event specified in column 4 occurs during the course</u>	<u><i>Firm</i> receives <i>permission</i>; or <i>firm</i> extends <i>permission</i></u>

		<u>of a fee year, 30 days after the occurrence of that event, or if later the dates specified in FEES 4.3.6R.</u>	
--	--	---	--

**4.3 Periodic fees payable by firms (other than ICVCs and UCITS qualifiers)**

4.3.1 R The periodic fee payable by a *firm* (except and *ICVC* or a *UCIS qualifier*) is:

[FCA/  
PRA]

...

- (2) any deductions from the periodic fee specified in Part 2 of *FEES 4 Annex 2R Annex 2AR, FEES 4 Annex 2BR or Parts 6 and/or 7 Part 7 of FEES 4 Annex 11R. For the purposes of this deduction, any deduction available in Part 2 of FEES 4 Annex 2 shall not be applied to any fee calculated in accordance with FEES 4.3.3AR and any deduction available in Part 6 and/or 7 of FEES 4 Annex 11R shall not be applied to any fees calculated in accordance with FEES 4.3.3R.*

4.3.2 G (1) The amount payable by each *firm* will depend upon the category (or categories) of *regulated activities* or *payment services* it is engaged in (fee-blocks) and whether it is issuing *electronic money*, and on the amount of business it conducts in each category (tariff base). The fee-blocks and tariffs are identified in *FEES 4 Annex 1R Annex 1AR* in respect of the *FCA* and *FEES 4 Annex 1BR* in respect of the *PRA* (and guidance on calculating certain of the tariffs is at ~~2-G~~ *FEES 4 Annex 12G*), while *FEES 4 Annex 2R sets Annex 2AR* in respect of the *FCA* and *FEES 4 Annex 2BR* in respect of the *PRA* set out the tariff rates for the relevant ~~financial year~~ *fee year*. In the case of *firms* that provide *payment services* and/or issue *electronic money*, the relevant fee blocks, tariffs and rates are set out in *FEES 4 Annex 11R*.

[FCA/  
PRA]

...

Calculation of periodic fee (excluding fee-paying payment service providers and fee-paying electronic money issuers)

4.3.3 R The periodic fee referred to in *FEES 4.3.1R* is (except in relation to the *Society, fee-paying payment service providers* and *fee-paying electronic money issuers*) calculated as follows:

[FCA/  
PRA]

- (1) identify each of the tariffs set out in Part 1 of *FEES 4 Annex 2R Annex 2AR* and Part 1 of *FEES 4 Annex 2BR* which apply to the business of the *firm* for the period specified in that annex;

- (2) for each of ~~those~~ the applicable tariffs, calculate the sum payable in relation to the business of the *firm* for that period;
- (3) add together the amounts calculated under (2) in relation to fees payable to the FCA and, if applicable, separately add together the amounts calculated under (2) in relation to the fees payable to the PRA;
- (4) work out whether a ~~an~~ A.0 or a PA.0 minimum fee is payable under ~~Part 1A Part 2 of FEES 4 Annex 2R~~ Annex 2AR and Part 2 of FEES 4 Annex 2BR and if so how much (except that that minimum fee is not payable again by a firm whose permission is extended if the fee was already payable before the extension);
- (4A) work out whether an AP.0 FCA prudential fee is payable under Part 2 of FEES 4 Annex 2AR and if so how much;
- (4B) work out whether a PT.1 PRA transitional fee is payable under Part 2 of FEES 4 Annex 2BR and if so how much;
- (5) add together the amounts calculated under (3), ~~and (4)~~ and (4A) that relate to fees payable to the FCA and, if applicable, separately adding together the amounts calculated under (3), (4) and (4B) that relate to fees payable to the PRA; and

...

...

Amount payable by the Society of Lloyd's

- 4.3.5 R The periodic fee referred to in *FEES* 4.3.1R in relation to the *Society* is specified against its name in *FEES* 4 ~~Annex 2R~~ Annex 2AR and *FEES* 4 Annex 2BR.
- [FCA/  
[PRA]

Time of payment

- 4.3.6 R (1) ~~If~~ Subject to *FEES* TP 8, if the firm's, designated professional body's, recognised investment exchange's, ~~recognised clearing house's~~ or regulated covered bond issuer's periodic fee for the previous ~~financial year~~ fee year was at least 50,000, it must pay the FCA:
- [FCA/  
[PRA]
- (a) an amount equal to 50% of the *FCA* periodic fee payable for the previous ~~year~~ fee year, by 30 April or, if later, within 30 days of the date of the invoice, in the financial year fee year to which the sum due under *FEES* 4.2.1R relates; and
  - (b) the balance of the *FCA* periodic fee due for the current ~~financial year~~ fee year by 1 September or, if later, within 30 days of the date of the invoice, in the financial year fee year

to which that sum relates.

- (1A) Subject to FEES TP 8, if the firm is also a PRA-*authorised person* and its periodic fee for the previous *fee year* was at least 50,000, it must pay the PRA (through the FCA acting as its collection agent):
- (a) an amount equal to 50% of the PRA periodic fee payable for the previous *fee year*, by 30 April in the *fee year* to which the sum due under FEES 4.2.1R relates; and
  - (b) the balance of the PRA periodic fee due for the current *fee year* by 1 September or, if later, within 30 days of the date of the invoice, in the *fee year* to which that sum relates.
- (1B) If the firm paid periodic fees to both the FCA and the PRA in the previous *fee year*, FEES 4.3.6R(1) and (1A) only apply if the firm's combined FCA and PRA periodic fees for that *fee year* were at least 50,000.
- (2) If the firm's, *designated professional body's, recognised investment exchange's, recognised clearing house's* or *regulated covered bond issuer's* periodic fee for the previous ~~financial year~~ *fee year* was less than 50,000, it must pay the periodic fee in full by 1 ~~July~~ August or, if later, within 30 days of the date of the invoice in the ~~financial year~~ *fee year* to which that sum relates.
- ...
- (5) ~~Paragraphs (1) and (2) do not apply to any Solvency 2 fee or Solvency 2 Implementation fee (as defined in Part 1 of FEES 4 Annex 2R) and such fees are not taken into account for the purposes of the split in (1). Instead any Solvency 2 fee or Solvency 2 Implementation fee is payable on the date specified in (1)(a) or (2) (depending on which applies to the rest of its periodic fee) or any earlier date required by (3) or (4). [deleted]~~

...

Incoming EEA firms, incoming Treaty firms, EEA authorised payment institutions and EEA authorised electronic money institutions

...

- 4.3.12 R For an *incoming EEA firm*, (excluding *MTF operators*), or an *incoming Treaty firm*, the calculation required by FEES 4.3.3R is modified as follows
- [FCA/  
PRA]
- (1) the tariffs set out in ~~Part 1 of FEES 4 Annex 2R~~ Part 1 of FEES 4 Annex 2AR and, if applicable, Part 1 of FEES 4 Annex 2BR are applied only to the *regulated activities* of the firm which are carried

on in the *United Kingdom*; and

- (2) those tariffs are modified in accordance with ~~Part 3 of FEES 4 Annex 2R~~ Part 3 of FEES 4 Annex 2AR and, if applicable, Part 3 of FEES 4 Annex 2BR.

Firms Applying to Cancel or Vary Permission Before Start of ~~Period~~ Fee Year

4.3.13  
[FCA/  
PRA]

- R (1) If:
- (a) ...
- (b) the *firm, issuer, or sponsor* makes the application or notification referred to in (a) before the start of the ~~period~~ fee year to which the fee relates;

*FEES 4.2.1R* applies to the *firm* as if the relevant variation or cancellation of the *firm's permission* or authorisation or registration under the *Payment Services Regulations* or *Electronic Money Regulations*, de-listing or removal from the list of approved *sponsors*, took effect immediately before the start of the ~~period~~ fee year to which the fee relates.

- (2) But (1) does not apply if, due to the continuing nature of the business, the variation, cancellation, de-listing or removal is not to take effect on or before 30 June of the fee year to which the fee relates ~~within three months of the start of the period to which the fee relates~~.

...

Firms acquiring business from other firms

4.3.15  
[FCA/  
PRA]

- R ...
- (3) If the acquisition occurs after the valuation date applicable to the business (as set out in ~~FEES 4 Annex 1R~~ Annex 1AR, ~~FEES 4 Annex 1BR~~ and ~~FEES 4 Annex 11R~~) which A acquired from B, for the period following that in which the acquisition occurred, *FEES 4.2.1R* applies to A, in relation to that following period, as if the acquisition had occurred immediately before the valuation date.

...

**4.4 Information on which Fees are calculated**

4.4.1  
[FCA/  
PRA]

- R A *firm* (other than the *Society*) must notify to the ~~FSA~~ FCA (in its own capacity and, if applicable, in its capacity as collection agent for the PRA) the value (as at the valuation date specified in ~~Part 3 FEES 4 Annex 1R~~ Part 5 of FEES 4 Annex 1AR in relation to fees payable to the *FCA* or Part 5 of FEES 4 Annex 1BR in relation to fees payable to the *PRA*) of each element of business on which the periodic fee payable by the *firm* is to be calculated.

4.4.2 R A *firm* (other than the *Society*) must send to the ~~FSA~~ FCA (in its own capacity and, if applicable, in its capacity as collection agent for the PRA) in writing the information required under *FEES* 4.4.1R as soon as reasonably practicable, and in any event within two *months*, after the date specified as the valuation date in ~~Part 3 *FEES* 4 Annex 1R~~ Part 5 of *FEES* 4 Annex 1AR in relation to fees payable to the FCA or Part 5 of *FEES* 4 Annex 1BR in relation to fees payable to the PRA (or *FEES* 4.2.7BR where applicable).

...

Delete the following Annex in its entirety. The deleted text is not shown.

**4 Annex Activity groups, tariff bases and valuation dates applicable [deleted]  
1R**

After *FEES* 4 Annex 1R (deleted) insert the following new Annexes 1AR and 1BR. The text is not underlined.

**4 Annex FCA Activity groups, tariff bases and valuation dates  
1AR**

[FCA]

Part 1	
This table shows how the <i>FCA</i> links the <i>regulated activities</i> for which a <i>firm</i> has <i>permission</i> to activity groups (fee-blocks). A <i>firm</i> can use the table to identify which fee-blocks it falls into based on its <i>permission</i> .	
Activity group	Fee payer falls in the activity group if
<b>A.1 Deposit acceptors</b>	its <i>permission</i> includes <i>accepting deposits</i> or <i>operating a dormant account fund</i> <b>BUT DOES NOT</b> include either of the following: <i>effecting contracts of insurance</i> ; <i>carrying out contracts of insurance</i> .
<b>A.2 Home finance providers and administrators</b>	its <i>permission</i> includes a <i>regulated activity</i> within one or more of the following: <i>entering into a home finance transaction</i> ; or <i>administering a home finance transaction</i> ; or <i>agreeing to carry on a regulated activity</i> which is within either of the above.
<b>A.3 Insurers - general</b>	its <i>permission</i> includes one or more of the following: - <i>effecting contracts of insurance</i> ; - <i>carrying out contracts of insurance</i> ; in respect of <i>specified investments</i> that are: - <i>general insurance contracts</i> ; or - <i>long-term insurance contracts</i> other than <i>life policies</i> .

<p><b>A.4 Insurers - life</b></p>	<p>its <i>permission</i> includes one or more of the following:  - <i>effecting contracts of insurance</i>;  - <i>carrying out contracts of insurance</i>;  in respect of <i>specified investments</i> including <i>life policies</i>;  - <i>entering as provider into a funeral plan contract</i>.</p>
<p><b>A.5 Managing agents at Lloyd's</b></p>	<p>its <i>permission</i> includes <i>managing the underwriting capacity of a Lloyd's syndicate as a managing agent at Lloyd's</i>.</p>
<p><b>A.6 The Society of Lloyd's</b></p>	<p>it is the <i>Society</i> of Lloyd's.</p>
<p><b>Note for authorised professional firms:</b>  Generally, for fee-blocks A.7 to A.19 below, only those <i>regulated activities</i> that are not limited to <i>non-mainstream regulated activities</i> should be taken into account in determining which fee-block(s) fee-payers belong to for the purpose of charging periodic fees. However, in the case that all the <i>regulated activity</i> within a <i>firm permission</i> are limited to <i>non-mainstream regulated activities</i>, then that <i>firm's</i> will be allocated to fee-block A.13 alone. This does not prevent a fee being payable by an <i>authorised professional firm</i> under <i>FEES 3.2.7R(p)</i> and/or <i>FEES 3.2.7AR(c)</i> where it applies to vary its <i>Part 4A permission</i> such that it would normally be allocated to fee-block(s) other than A.13 if the variation was granted.</p>	



<p><b>A.7 Fund managers</b></p>	<p>(1) its <i>permission</i> includes <i>managing investments</i> (a <i>firm</i> falling within this category is a <i>class (1) firm</i>);  <b>OR</b>  (2) its <i>permission</i> includes <b>ONLY</b> either one or both of:  <i>safeguarding and administering of investments (without arranging)</i>; and  <i>arranging safeguarding and administration of assets</i> (a <i>firm</i> falling within this category is a <i>class (2) firm</i>);  <b>OR</b>  (3) the <i>firm</i> is a <i>venture capital firm</i> (a <i>firm</i> falling within this category is a <i>class (3) firm</i> if it is not a class (1) or (2) <i>firm</i>).  <b>Class (1) firms</b> are subdivided into three classes:  - <b>class (1)A</b>, where the funds managed by the <i>firm</i> belong to one or more <i>occupational pension schemes</i>;  - <b>class (1)B</b>, where:  (a) the <i>firm</i> is not a class (1)A <i>firm</i>; and  (b) the <i>firm's</i> <i>permission</i> includes <b>NEITHER</b> of the following:  <i>safeguarding and administering investments (without arranging)</i>;  <i>arranging safeguarding and administration of assets</i>; and  (c) the <i>firm</i> <b>EITHER</b>:  has a <i>requirement</i> that prohibits the <i>firm</i> from holding or controlling <i>client money</i>, or both; <b>OR</b>  if it does not have such a <i>requirement</i>, <b>only</b> holds or controls <i>client money</i> (or both), arising from an agreement under which <i>commission</i> is rebated to a <i>client</i>; and  - <b>class (1)C</b>, where the <i>firm</i> is not within class (1)A or class (1)B.</p>
<p><b>A.9 Operators, Trustees and Depositories of collective investment schemes and Operators of personal pension schemes or stakeholder pension schemes</b></p>	<p>(1) its <i>permission</i>:  (a) includes one or more of the following:  <i>establishing, operating or winding up a regulated collective investment scheme</i>;  <i>establishing, operating or winding up an unregulated collective investment scheme</i>;  <i>acting as trustee of an authorised unit trust scheme</i>;  <i>acting as the depository or sole director of an open-ended investment company</i>;  <i>establishing, operating or winding up a personal pension scheme or a stakeholder pension scheme</i> (but only if the <i>firm</i> does not fall within activity group A1 or A4);  <b>AND</b>  (b) <b>PROVIDED</b> the <i>firm</i> is <b>NOT</b> one of the following:  a <i>corporate finance advisory firm</i>;  a <i>firm</i> in which the above activities are limited to carrying</p>

	<p>out <i>corporate finance business</i>; a <i>venture capital firm</i>; <b>OR</b> (2) if the fee-payer has none of the <i>regulated activities</i> above within its <i>permission</i>, but ALL the remaining <i>regulated activities</i> in its <i>permission</i> are limited to carrying out trustee activities.</p>
<p><b>A.10 Firms dealing as principal</b></p>	<p>its <i>permission</i> includes: (a) <i>dealing in investments as principal</i>; and/or (b) <i>bidding in emissions auctions</i>; <b>BUT NOT</b> if one or more of the following apply: the <i>firm</i> is acting exclusively as a matched principal broker; the above activity is limited either to acting as an <i>operator</i> of a <i>collective investment scheme</i>, <i>establishing, operating or winding up a personal pension scheme</i> or a <i>stakeholder pension scheme</i>, or to carrying out <i>trustee activities</i>; the <i>firm</i> is a <i>corporate finance advisory firm</i>; the above activity is otherwise limited to carrying out <i>corporate finance business</i>; the <i>firm</i> is subject to a <i>limitation</i> to the effect that the <i>firm</i>, in carrying on this <i>regulated activity</i>, is limited to entering into transactions in a manner which, if the <i>firm</i> was an <i>unauthorised person</i>, would come within article 16 of the <i>Regulated Activities Order</i> (Dealing in contractually based investments); the above activity is limited to not acting as a <i>market maker</i>; the <i>firm</i> is an <i>oil market participant</i>, <i>energy market participant</i> or a <i>local</i> (except where the <i>firm</i> is <i>bidding in emissions auctions</i>); its <i>permission</i> includes either: - <i>effecting contracts of insurance</i>; or - <i>carrying out contracts of insurance</i>.</p>

**A.12 Advisors, arrangers, dealers or brokers (holding or controlling client money or assets, or both)**

its *permission*:

(a) includes one or more of the following, in relation to one or more *designated investments*:

*dealing in investments as agent*;

*arranging (bringing about) deals in investments*;

*making arrangements with a view to transactions in investments*;

*dealing as principal in investments* where the activity is carried on as a matched principal broker, *oil market participant*, energy market participant or *local*;

*advising on investments* (except *pension transfers* and *pension opt-outs*);

*advising on pension transfers and pension opt-outs*;

*advising on syndicate participation at Lloyd's*;

(b) **BUT NONE** of the following:

*effecting contracts of insurance*; or

*carrying out contracts of insurance*;

**AND**

(c) **CAN HAVE** one or more of the following:

*safeguarding and administering of assets*;

*arranging safeguarding and administration of assets*;

the ability to hold or control *client money*, or both:

- that is, there is no *requirement* which prohibits the *firm* from doing this; and

- provided that the *client money* in question does not only arise from an agreement under which *commission* is rebated to a *client*;

**AND**

(d) **PROVIDED** the fee-payer is **NOT** any of the following:

a *corporate finance advisory firm*;

a *firm* for whom all of the applicable activities above are otherwise limited to carrying out *corporate finance business*;

a *firm* whose activities are limited to carrying out *venture capital business*;

a *firm* whose activities are limited to acting as an operator of a *regulated collective investment scheme*;

a *firm* whose activities are limited to carrying out *trustee activities*;

a *service company*.

**A.13 Advisors, arrangers, dealers or brokers (not holding or controlling client money or assets, or both)**

(1) it is an *authorised professional firm* and **ALL** the *regulated activities* in its *permission* are limited to non-mainstream regulated activities (a firm falling within this category is a *class (1) firm*);

**OR**

(2) its *permission*:

(a) includes one or more of the following, in relation to one or more *designated investments*:

*dealing in investments as agent*;

*arranging (bringing about) deals in investments*;

*making arrangements with a view to transactions in investments*;

*dealing as principal in investments* where the activity is carried on as a matched principal broker, *oil market participant*, *energy market participant* or *local*;

*advising on investments* (except *pension transfers* and *pension opt-outs*);

giving *basic advice* on a *stakeholder product*;

*advising on pension transfers and pension opt-outs*;

*advising on syndicate participation at Lloyd's*;

(b) **BUT NONE** of the following:

*effecting contracts of insurance*;

*carrying out contracts of insurance*;

*safeguarding and administration of assets*;

*arranging safeguarding and administration of assets*;

**AND**

(c) **MUST EITHER**, in connection with its *designated investment business*:

have a *requirement* that prohibits the *firm* from holding or controlling *client money*, or both;

**OR**

if it does not have such a *requirement*, only holds or controls *client money* (or both), arising from an agreement under which *commission* is rebated to a *client*;

**AND**

(d) **PROVIDED** the fee-payer is **NOT** any of the following:

a *corporate finance advisory firm*;

a *firm* for whom all of the applicable activities above are otherwise limited to carrying out *corporate finance business*;

a *firm* whose activities are limited to carrying out *venture capital business*;

a *firm* whose activities are limited to acting as an *operator* of a *regulated collective investment scheme*;

a *firm* whose activities are limited to carrying out *trustee activities*;

a *service company*.

A *firm* falling within (2) and not (1) is a *class 2 firm*.

<b>A.14 Corporate finance advisers</b>	the <i>firm</i> is carrying on <i>corporate finance business</i> <b>PROVIDED</b> the fee-payer is <b>NOT</b> a <i>venture capital firm</i> .
<b>A.18 Home finance providers, advisers and arrangers</b>	its <i>permission</i> includes a <i>regulated activity</i> within one or more of the following: <i>entering into a home finance transaction</i> ; or <i>arranging (bringing about) a home finance transaction</i> ; or <i>making arrangements with a view to a home finance transaction</i> ; or <i>advising on a home finance transaction</i> ; or <i>agreeing to carry on a regulated activity</i> which is within any of the above.
<b>A.19 General insurance mediation</b>	its <i>permission</i> includes one or more of the following in relation to a <i>non-investment insurance contract</i> : <i>dealing in investments as agent</i> ; or <i>arranging (bringing about) deals in investments</i> ; or <i>making arrangements with a view to transactions in investments</i> ; or <i>assisting in the administration and performance of a contract of insurance</i> ; or <i>advising on investments</i> ; or <i>agreeing to carry on a regulated activity</i> which is within any of the above.
<b>B. Market operators</b>	<i>firms</i> that have been prescribed as an operator of a prescribed market under the Financial Services and Markets Act 2000 (Prescribed Markets and Qualifying Investments) Order 2001 (SI 2001/996).
<b>B. Service companies</b>	it is a <i>service company</i> .
<b>B. MTF operators</b>	its <i>permission</i> includes <i>operating a multilateral trading facility</i> .

Part 2	
This table sets out the activity groups (fee blocks) in relation to (i) the minimum fee payable to the <i>FCA</i> and (ii) the prudential fee payable to the <i>FCA</i> .	
Activity group	Fee payer falls into the fee-block if
A.0 <i>FCA</i> minimum fee	(1) it is in at least one of the fee blocks under Part 1; and (2) it is not: (a) a <i>UK ISPV</i> ; or (b) a <i>firm</i> whose only <i>permission</i> is <i>operating a dormant fund</i>

	<i>account.</i>
AP.0 FCA prudential fee	(1) it is in at least one of the fee blocks under Part 1; and (2) it is not: (a) a <i>PRA-authorised person</i> ; and/ or (b) a <i>firm</i> whose only periodic fee payable to the <i>FCA</i> is the A.0 <i>FCA</i> minimum fee.

Part 3	
This table indicates the tariff base for each fee-block set out in Part 1.	
Activity group	Tariff base
<b>A.1</b>	<p><b>MODIFIED ELIGIBLE LIABILITIES</b>  <b>For banks and building societies:</b>  <b>Item B of Form ELS (Note (1)):</b>  <math>(1 + 2 + 3 + 4 + 0.6*5 + 6 - 8 - 9A - 9B - 10A - 10B - 10C - 11A - 11B - 0.6*12) + (1/3)*(F1 + F2 + F3 + F4 + 0.6*F5 + F6 - F8 - F9A - F9B - F10A - F10B - F10C - F11A - F11B - 0.6*F12) - 13M</math></p>
	<p><b>Notes:</b>  (1) All references in the above formula are to entries on Form ELS (that is, the Eligible Liabilities Return completed to provide information by <i>banks</i> and <i>building societies</i> to the Bank of England as required by the Bank of England Act 1998).  (2) The figures reported on the Form ELS relate to business conducted out of offices in the <i>United Kingdom</i>.</p> <p><b>For credit unions:</b>  Deposits with the <i>credit union</i> (share capital)</p> <p><b>LESS</b>  the <i>credit union's</i> bank deposits (investments + cash at bank)</p> <p><b>Note:</b>  Only <i>United Kingdom</i> business is relevant for calculating <i>credit unions'</i> MELs.</p> <p><b>Note:</b>  For a <i>dormant account fund operator</i> the tariff base is not relevant and the flat fee in <i>FEES 4 Annex 2AR</i> is payable.</p>
<b>A.2</b>	<b>NUMBER OF MORTGAGES OR OTHER HOME FINANCE TRANSACTIONS ENTERED INTO AND</b>

	<p><b>ADMINISTERED</b> The number of new mortgage contracts, <i>home purchase plans</i>, <i>home reversion plans</i> and <i>regulated sale and rent back agreements</i> entered into;</p> <p><b>AND</b> The number of mortgage contracts, <i>home purchase plans</i>, <i>home reversion plans</i> and <i>regulated sale and rent back agreements</i> being administered, multiplied by 0.05 for mortgage outsourcing <i>firms</i> or other home finance outsourcing <i>firms</i> and by 0.5 for all other <i>firms</i>.</p> <p><b>Notes:</b> (1) Mortgage outsourcing <i>firms</i> are <i>firms</i> with <i>permission</i> for administering regulated mortgage contracts, but not to enter the contract as lender. Home finance outsourcing <i>firms</i> are <i>firms</i> with <i>permission</i> for administering a home finance transaction, but not entering into a home finance transaction. (2) In this context a 'mortgage' means a loan secured by a first charge over residential property in the <i>United Kingdom</i>. For the measure of the number of contracts being administered, each first charge counts as one contract, irrespective of the number of loans involved. (3) Mortgages, <i>home purchase plans</i>, <i>home reversion plans</i> and <i>regulated sale and rent back agreements</i> administered include those that the <i>firm</i> administers on behalf of other <i>firms</i>.</p>
<p>A.3</p>	<p><b>GROSS PREMIUM INCOME AND GROSS TECHNICAL LIABILITIES</b> <b>For insurers:</b> The amount of <i>premium</i> receivable which must be included in the documents required to be deposited under <i>IPRU(INS)</i> 9.6 in relation to the financial year to which the documents relate but disregarding for this purpose such amounts as are not included in the document by reason of a <i>waiver</i> or an order under section 68 of the Insurance Companies Act 1982 carried forward as an amendment to <i>IPRU(INS)</i> under transitional provisions relating to written concessions in <i>SUP</i>;</p> <p><b>AND</b> the amount of gross technical liabilities (<i>IPRU(INS)</i> Appendix 9.1 - Form 15, line 19) which must be included in the documents required to be deposited under <i>IPRU(INS)</i> 9.6R in relation to the financial year to which the documents relate but disregarding for this purpose such amounts as are not included in the document by reason of a <i>waiver</i> or an order under section 68 of the Insurance Companies Act 1982 carried forward as an amendment to <i>IPRU(INS)</i> under transitional provisions relating to written concessions in <i>SUP</i>.</p> <p><b>Notes:</b></p>

	<p>(1) in the case of either:</p> <p>(a) a <i>pure reinsurer</i> carrying on <i>general insurance business</i> through a <i>branch</i> in the <i>United Kingdom</i>; or</p> <p>(b) an <i>insurer</i> whose head office is not in an <i>EEA State</i> carrying on <i>general insurance business</i> through a <i>branch</i> in the <i>United Kingdom</i>; or</p> <p>(c) an <i>EEA-deposit insurer</i>;</p> <p>the amount only includes <i>premiums</i> received and gross technical liabilities held in respect of its <i>United Kingdom</i> business;</p> <p>(2) for a <i>Swiss general insurance company</i>, premiums and gross technical liabilities include those relevant to the operations of the company's <i>United Kingdom branch</i>; and</p> <p>(3) a <i>firm</i> need not include premiums and gross technical liabilities relating to <i>pure protection contracts</i> which it reports, and pays a fee on, in the A.4 activity group.</p> <p><b>For friendly societies:</b> Either:</p> <p>(a) the value of contributions as income under Schedule 7: Part I item 1(a) to the Friendly Societies (Accounts and Related Provisions) Regulations 1994 (SI 1994/1983) (the regulations) for a <i>non-directive friendly society</i>, included within the income and expenditure account; or</p> <p>(b) the value of gross premiums written under Schedule 1: Part I items I.1(a) and II.1.(a) of the regulations for a <i>directive friendly society</i> included within the income and expenditure account.</p> <p><b>Notes:</b></p> <p>(1) In both (a) and (b) above only <i>premium</i> receivable in respect of <i>United Kingdom</i> business are relevant.</p> <p>(2) For <i>UK ISPVs</i> the tariff base is not relevant and a flat fee set out in <i>FEES 4 Annex 2AR</i> is payable.</p>
<p><b>A.4</b></p>	<p><b>ADJUSTED GROSS PREMIUM INCOME AND MATHEMATICAL RESERVES</b> (see <i>FEES 4 Annex 12 G</i>)</p> <p>Amount of new regular <i>premium</i> business (yearly <i>premiums</i> including reassurances ceded but excluding cancellations and reassurances accepted), times ten;</p> <p><b>Plus</b></p> <p>amounts of new single <i>premium</i> business (total including reassurances ceded but excluding cancellations and reassurances accepted). Group protection business (life and private health insurance) must be included;</p> <p><b>Less</b></p> <p><i>premiums</i> relating to <i>pension fund management</i>;</p> <p><b>Less</b></p> <p><i>premiums</i> relating to Trustee Investment Plans.</p> <p>For each of the above, business transacted through</p>



	<p>independent practitioners or tied agents (either single or multi-tie) will be divided by two in calculating the adjusted gross premium income;</p>
	<p><b>AND</b> the amount of mathematical reserves (<i>IPRU(INS)</i> Appendix 9.1R - Form 14 , Line 11 ) which must be included in the documents required to be deposited under <i>IPRU(INS)</i> 9.6R in relation to the financial year to which the documents relate but disregarding for this purpose such amounts as are not included in the document by reason of a <i>waiver</i> or an order under section 68 of the Insurance Companies Act 1982 carried forward as an amendment to <i>IPRU(INS)</i> under transitional provisions relating to written concessions in <i>SUP</i>;</p> <p><b>Less</b> mathematical reserves relating to <i>pension fund management</i>.</p> <p><b>Less</b> mathematical reserves relating to Trustee Investment Plans.</p> <p><b>Notes:</b> (1) Only <i>premiums</i> receivable and mathematical reserves held in respect of <i>United Kingdom</i> business are relevant. (2) An <i>insurer</i> must include in its calculation of adjusted gross premium income (AGPI) and mathematical reserves (MR) the value of MR and AGPI relating to all risks ceded to <i>ISPVs</i>. (3) Trustee Investment Plans are the class of <i>contract of insurance</i> specified in Class III of Part II of Schedule 1 to the <i>Regulated Activities Order</i> (Contracts of long-term insurance) and which are invested in pooled funds beneficially owned by the <i>insurer</i> and not earmarked to individual beneficiaries by that <i>insurer</i>.</p>
<b>A.5</b>	<p><b>ACTIVE CAPACITY</b> The capacity of the <i>syndicate(s)</i> under management in the year in question. This includes the capacity for <i>syndicate(s)</i> that are not writing new business, but have not been closed off in the year in question.</p>
<b>A.6</b>	Not applicable.
<b>A.7</b>	<p><b>FUNDS UNDER MANAGEMENT (FuM)</b> The total value, in pounds sterling, of all assets (see note (a) below) in portfolios which the <i>firm</i> manages, on a discretionary basis (see note (b) below), in accordance with its terms of business, less: (a) funds covered by the exclusion contained in article 38 (Attorneys) of the <i>Regulated Activities Order</i>; (b) funds covered by the exclusion contained in article 66(3) (Trustees, nominees and personal representatives) of the <i>Regulated Activities Order</i>;</p>

	<p>(c) funds covered by the exclusion contained in article 68(6) (Sale of goods or supply of services) of the <i>Regulated Activities Order</i>;</p> <p>(d) funds covered by the exclusion contained in article 69(5) (Groups and joint enterprises) of the <i>Regulated Activities Order</i>; and</p> <p>(e) the value of those parts of the managed portfolios in respect of which the responsibility for the discretionary management has been formally delegated to another <i>firm</i> (and which <i>firm</i> will include the value of the assets in question in its own FuM total); any such deduction should identify the <i>firm</i> to which management responsibility has been delegated.</p>
	<p><b>Notes on FuM</b></p> <p>(a) For the purposes of calculating the value of funds under management, assets means all assets that consist of or include any <i>investment</i> which is a <i>designated investment</i> or those assets in respect of which the arrangements for their management are such that the assets may consist of or include such <i>investments</i>, and either the assets have at any time since 29 April 1988 done so or the arrangements have at any time (whether before or after that date) been held out as arrangements under which the assets would do so.</p> <p>(b) Assets managed by the <i>firm</i> on a discretionary basis exclude the <i>firm's</i> own assets. Assets managed on a non-discretionary basis, being assets that the <i>firm</i> has a contractual duty to keep under continuous review but in respect of which prior specific consent of the <i>client</i> must be obtained for proposed transactions, are also excluded as this activity is covered in those charged to fees in activity groups A.12 and A.13.</p> <p>(c) In respect of <i>collective investment schemes</i>, assets means the total value of the assets of the scheme.</p> <p>(d) For an <i>OPS firm</i>, the FuM should also be reduced by the value of the assets held as a result of a decision taken in accordance with article 4(6) of The Financial Services and Markets Act 2000 (Carrying on Regulated Activities by Way of Business) Order 2001 (investments in <i>collective investment scheme</i> or <i>bodies corporate</i> which have as their primary purpose the acquisition, directly, or indirectly, of relevant investments, as defined in that article).</p> <p>(e) Only assets that are managed from an establishment maintained by the <i>firm</i> in the <i>United Kingdom</i> are relevant.</p> <p>(f) If the <i>firm</i> is managing an overlay portfolio of <i>derivative</i> instruments and the underlying assets are managed by itself or a <i>firm</i> within the same <i>group</i> that has not reported them separately to the <i>FCA</i>, or by a <i>firm</i> outside its <i>group</i>, then it should calculate the value of the <i>derivatives</i> and other assets as prescribed in the <i>guidance</i> in FSA038 in SUP 16 Annex 25G.</p>

	<p>If the underlying assets are managed by another <i>firm</i> within the same <i>group</i> who has reported their value separately to the <i>FCA</i>, then to avoid double-counting within the <i>group</i>, the calculation must be restricted to the exposure of the overlay.</p>
<p><b>A.9</b></p>	<p><b>GROSS INCOME</b>  For <i>operators</i> (including <i>ACDs</i> and managers of <i>unit trusts</i> but excluding <i>operators</i> of a <i>personal pension scheme</i> or a <i>stakeholder pension scheme</i>):  gross income from the activity relating to fee-block A.9 is defined as:  the amount of the annual charge on funds invested in regulated or <i>unregulated collective investment scheme</i> received or receivable in the latest accounting period (this is calculated as a % of funds invested, typically 1% p.a.);  <b>PLUS</b>  the front-end or exit charge levied on sales or redemptions of <i>collective investment schemes</i> (typically 4-5% of sales/redemptions) in that same accounting period;</p>
	<p><b>PLUS</b>  any additional initial or management charges levied through a product wrapper such as an <i>ISA</i>;  <b>BUT EXCLUDING</b> box management profits.  <b>For depositaries (including trustees of collective investment schemes and ICVC depositaries):</b>  The amount of the annual charge levied on funds in <i>regulated collective investment schemes</i> for which they act as <i>depository</i> (typically a % of the total funds for which they act as <i>depository</i>).  For <i>operators</i> of a <i>personal pension scheme</i> or a <i>stakeholder pension scheme</i>:  The amount of the charges levied on the <i>personal pension scheme</i> or <i>stakeholder pension scheme</i> for which they act as <i>operator</i>:  including up-front charges, fund related charges, transaction related charges and periodic charges; but  excluding charges made to an investor in respect of third party suppliers; for example, charges for stock broking, borrowing, banking services and charges for arranging third party legal services, surveys or environmental screening in connection with property.  <b>Note:</b>  Only the gross income corresponding to <i>United Kingdom</i> business is relevant.</p>
<p><b>A.10</b></p>	<p><b>NUMBER OF TRADERS</b>  Any <i>employee</i> or agent, who:  ordinarily acts within the <i>United Kingdom</i> on behalf of an <i>authorised person</i> liable to pay fees to the <i>FCA</i> in its fee-</p>

	<p>block A.10 (firms dealing as principal); and who, as part of their duties in relation to those activities of the <i>authorised person</i>, commits the <i>firm</i> in market dealings or in transactions in <i>securities</i> or in other <i>specified investments</i> in the course of <i>regulated activities</i>.</p> <p>But not any <i>employees</i> or agents who work solely in the <i>firm's MTF</i> operation.</p> <p>A <i>firm</i> may, as an option, report <i>employees</i> or agents as full-time equivalents (FTE), taking account of any part-time staff. In calculating the FTE, <i>firms</i> must take into account the total hours <i>employees</i> or agents have contracted to work for the <i>firm</i> and not the time <i>employees</i> or agents devote to the <i>dealing in investments as principal</i> and <i>bidding in emissions auctions</i> functions set out in fee-block A.10. Any figures using the FTE calculation to be recorded to one decimal place, rounded down to the nearest decimal place.</p>
<p><b>A.12</b></p>	<p><b><u>ANNUAL INCOME</u></b></p> <p>Annual income as defined in <i>FEES 4 Annex 11AR</i></p>
<p><b>A.13</b></p>	<p><b><u>ANNUAL INCOME</u></b></p> <p>Annual income as defined in <i>FEES 4 Annex 11AR</i></p>
<p><b>A.14</b></p>	<p><b><u>ANNUAL INCOME</u></b></p> <p>Annual income as defined in <i>FEES 4 Annex 11AR</i>.</p>

A.18

**ANNUAL INCOME**

(a) the net amount retained by the *firm* of all brokerages, fees, commissions and other related income (e.g. administration charges, overrides, profit shares) due to the *firm* in respect of or in relation to *home finance mediation activity* (or activities which would have been *mortgage mediation activity* if they had been carried out after 30 October 2004 or *home purchase mediation activity* or *home reversion mediation activity* if they had been carried out on or after 6 April 2007 or *regulated sale and rent back mediation activity* if they had been carried out on or after 1 July 2009);

**Plus**

(b) for any *home finance mediation activity* carried out by the *firm* for which it receives payment from the lender or provider on a basis other than that in (a), the value of all new mortgage advances and amounts provided under other *home finance transactions* resulting from that activity multiplied by 0.004;

**Plus**

(c) if the *firm* is a *home finance provider*, the value of all new mortgage advances and amounts provided under other *home finance transactions* which are or would be *regulated mortgage contracts* if they had been made after 30 October 2004 or *home purchase plans* or *home reversion plans* if they had been made on or after 6 April 2007 or *regulated sale and rent back mediation activity* if they had been carried out on or after 1 July 2009 (other than those made as a result of *home finance mediation activity* by another *firm*), multiplied by 0.004.

For mortgage outsourcing *firms* or home finance outsourcing *firms* whose permission does not include *advising on a home finance transaction* the relevant amounts are multiplied by 0.15.

**Notes on annual income:**

(1) For the purposes of calculating annual income, "net amount retained" means all the commission, fees, etc. in respect of *home finance mediation activity* that the *firm* has not rebated to customers or passed on to other *firms* (for example, where there is a commission chain). Items such as general business expenses (e.g. employees' salaries, overheads) should **not** be deducted.

(2) The *firm* must include in its income calculation, on the same basis as above, earnings from those who will become its *appointed representatives* immediately after *authorisation*.

(3) Reference to a "*firm*" above also includes reference to any *person* who carried out activities which would be *mortgage mediation activity* if they had been carried out after 30 October 2004 or *home purchase mediation activity* or *reversion mediation activity* if they had been carried out on or after 6 April 2007 or *regulated sale and rent back mediation activity* if they had been carried out on or after 1 July 2009.

(4) Mortgage outsourcing *firms* are *firms* whose *permission* includes *administering regulated mortgage contracts*, but not *entering into a regulated mortgage contract*. Home finance outsourcing *firms* are *firms* whose *permission* includes *administering a home finance transaction*, but not *entering into a home finance transaction*.

(5) The same *firm* may receive income under paragraph (a) and (c).

(6) A *firm* must include in paragraph (a) any income it receives from *home finance mediation activity* carried on by another *person* with respect to any *home finance transaction* into which the *firm* has entered as lender, plan provider or home purchase provider.

(7) In calculating the net amount retained, a *firm* may not deduct amounts that it rebates to a *person* other than another *firm*, a *person* falling within the extended definition of *firm* in Note (4) or the *firm's* customer.

(8) A *firm* may only deduct amounts under paragraph (a) in calculating its net amount retained if the amount is to be deducted from income that the *firm* must include under paragraph (a). Therefore for example:

(a) if a mortgage lender (Firm A) pays a *firm* commission for arranging a *regulated mortgage* under which Firm A is a lender, Firm A may not take that expense into account in calculating its annual income if Firm A does not receive a fee from the borrower or another *person* in respect of that *regulated mortgage*; and

(b) if a mortgage lender (Firm A) pays a *firm* (Firm B) commission for arranging a *regulated mortgage* under which Firm A is a lender, Firm A receives a payment from the borrower under that transaction and the amount payable to Firm B exceeds the amount payable by the borrower, Firm A may not take that excess into account in calculating its annual income and must instead net the sum payable by the borrower to zero.

(9) A *firm* must include in paragraph (a) any survey and booking fees due to it in respect of or in relation to *home finance mediation activity* or which would be *home finance mediation activity* if they had been carried on or after the dates in paragraph (a).

<p><b>A.19</b></p>	<p><b>ANNUAL INCOME</b> (A) the net amount retained by the <i>firm</i> of all brokerages, fees, commissions and other related income (e.g. administration charges, overrides, profit shares) due to the <i>firm</i> in respect of or in relation to <i>insurance mediation activity</i> (or activities which would have been <i>insurance mediation activity</i> if they had been carried out after 13 January 2005 or, in relation to <i>connected travel insurance contracts</i>, from 1 January 2009) in relation to <i>general insurance contracts</i> or <i>pure protection contracts</i>;</p> <p><b>Plus</b> (B) in relation to the activities set out in (A), for any <i>insurance mediation activity</i> carried out by the <i>firm</i> for which it receives payment from the <i>insurer</i> on a basis other than that in (A), the amount of <i>premiums</i> receivable on the <i>contracts of insurance</i> resulting from that activity multiplied by 0.07;</p> <p><b>Plus</b> (C) if the <i>firm</i> is an <i>insurer</i>, in relation to the activities set out in (A), the amount of <i>premiums</i> receivable on its <i>contracts of insurance</i> multiplied by 0.07, excluding those <i>contracts of insurance</i> which:</p> <ul style="list-style-type: none"> <li>(i) result from <i>insurance mediation activity</i> by another <i>firm</i>, where a payment has been made by the <i>insurer</i> to the <i>firm</i> under (A); or</li> <li>(ii) the <i>insurer</i> reports in, and pays a fee under, the A.4 activity group; or</li> <li>(iii) are not <i>general insurance contracts</i> or <i>pure protection contracts</i>.</li> </ul> <p><b>Notes on annual income:</b></p> <p>(1) For the purposes of calculating annual income, "net amount retained" means all the commission, fees, etc. in respect of <i>insurance mediation activity</i> that the <i>firm</i> has not rebated to customers or passed on to other <i>firms</i> (for example, where there is a commission chain). Items such as general business expenses (e.g. employees' salaries, overheads) should <b>not</b> be deducted.</p> <p>(2) The <i>firm</i> must include in its income calculation, on the same basis as above, earnings from those who will become its <i>appointed representatives</i> immediately after <i>authorisation</i>.</p> <p>(3) Reference to a "<i>firm</i>" above also includes reference to any <i>person</i>, including a <i>connected travel insurance intermediary</i>, who carried out activities which would be <i>insurance mediation activity</i> (in respect of <i>general insurance contracts</i> or <i>pure protection contracts</i>) if they had been carried out after 13 January 2005 or, in relation to <i>connected travel insurance contracts</i>, from 1 January 2009.</p> <p>(4) The same <i>firm</i> may receive income under (A) and (C).</p> <p>(5) A <i>firm</i> must include in (A) any income it receives from <i>insurance mediation activity</i> carried on by another <i>person</i> with respect to any <i>general insurance contracts</i> or <i>pure protection contracts</i> into which the <i>firm</i> has entered as insurer.</p> <p>(6) In calculating the net amount retained, a <i>firm</i> may not</p>
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	<p>deduct amounts that it rebates to a <i>person</i> other than another <i>firm</i>, a <i>person</i> falling within the extended definition of <i>firm</i> in Note (4) or the <i>firm's</i> customer.</p> <p>(7) A <i>firm</i> may only deduct amounts under (A) in calculating its net amount retained if the amount is to be deducted from income that the <i>firm</i> must include under (A). Therefore for example:</p> <p>(a) if an insurer (Firm A) pays a <i>firm</i> commission for arranging a <i>general insurance contract</i> or <i>pure protection contract</i> under which Firm A is the <i>insurer</i>, Firm A may not take that expense into account in calculating its annual income if Firm A does not receive a fee from the insured or another <i>person</i> in respect of that contract; and</p> <p>(b) if an insurer (Firm A) pays a <i>firm</i> (Firm B) commission for arranging a <i>general insurance contract</i> or <i>pure protection contract</i> under which Firm A is the <i>insurer</i>, Firm A receives a payment from the insured under that transaction and the amount payable to Firm B exceeds the amount payable by the insured, Firm A may not take that excess into account in calculating its annual income and must instead net the sum payable by the insured to zero.</p>
<b>B. Market operators</b>	Not applicable.
<b>B. Service companies</b>	Not applicable.
<b>B. MTF operators</b>	Not applicable.

Part 4	
This table indicates the tariff base for each fee block set out in Part 2.	
Activity Group	Tariff base
A.0	Not applicable because the minimum fee is a specified amount.
AP.0	The total periodic fees payable as a result of Part 1 of <i>FEES 4 Annex 2A</i> excluding any periodic fee for <i>operating a dormant fund account</i> .

Part 5
This table indicates the valuation date for each fee-block. A <i>firm</i> can calculate its tariff data in respect of fees payable to the <i>FCA</i> by applying the tariff bases set out



in Part 3 with reference to the valuation dates shown in this table.	
Activity group	Valuation date
<p>IN THIS TABLE, REFERENCES TO SPECIFIC DATES OR MONTHS ARE REFERENCES TO THE LATEST ONE OCCURRING BEFORE THE START OF THE PERIOD TO WHICH THE FEE APPLIES, UNLESS OTHERWISE SPECIFIED - E.G. FOR 2013/14 FEES (1 APRIL 2013 TO 31 MARCH 2014), A REFERENCE TO DECEMBER MEANS DECEMBER 2012.</p>	
<p>Where a <i>firm's</i> tariff data is in a currency other than sterling, it should be converted into sterling at the exchange rate prevailing on the relevant valuation date.</p>	
<b>A.1</b>	<p><b>For banks:</b> Modified eligible liabilities (MELs), valued at: for a <i>firm</i> which reports monthly, the average of the MELs for October, November and December; for a <i>firm</i> which reports quarterly, the MELs for December.</p> <p><b>For credit unions:</b> MELs, valued at December or as disclosed by the most recent annual return made prior to that date.</p> <p><b>For building societies:</b> MELs, valued at the average of the MELs for October, November and December.</p>
<b>A.2</b>	<p>Number of mortgages, <i>home purchase plans</i>, <i>home reversion plans</i> and <i>regulated sale and rent back agreements</i> entered into in the twelve months ending 31 December.</p> <p><b>AND</b></p> <p>Number of mortgages, <i>home purchase plans</i>, <i>home reversion plans</i> and <i>regulated sale and rent back agreements</i> being administered on 31 December.</p>
<b>A.3</b>	<p>Annual gross <i>premium</i> income (GPI), for the financial year ended in the calendar year ending 31 December.</p> <p><b>AND</b></p> <p>Gross technical liabilities (GTL) valued at the end of the financial year ended in the calendar year ending 31 December.</p>
<b>A.4</b>	<p>Adjusted annual gross <i>premium</i> income (AGPI) for the financial year ended in the calendar year ending 31 December.</p> <p><b>AND</b></p> <p>Mathematical reserves (MR) valued at the end of the financial year ended in the calendar year ending 31 December.</p>
<b>A.5</b>	<p>Active capacity (AC), in respect of the Underwriting Year (as reported to the <i>Society</i> of Lloyd's) which is current at the beginning of the period to which the fee relates.</p>

	[ <b>Note:</b> this is the Underwriting Year which is already in progress at the start of the fee period - e.g. for 2013/14 fees, the fee period will begin on 1 April 2013, which is in the 2013 Underwriting Year, so the AC for that Underwriting Year is the relevant measure.]
<b>A.6</b>	Not applicable.
<b>A.7</b>	Funds under management (FuM), valued at 31 December.
<b>A.9</b>	Annual gross income (GI), valued at the most recent financial year ended before 31 December.
<b>A.10</b>	Number of traders as at 31 December.
<b>A.12</b>	Annual income for the financial year ended in the calendar year ending 31 December.
<b>A.13</b>	Annual income for the financial year ended in the calendar year ending 31 December.
<b>A.14</b>	Annual income for the financial year ended in the calendar year ending 31 December.
<b>A.18</b>	Annual income (AI) for the financial year ended in the calendar year ending 31 December.
<b>A.19</b>	Annual income (AI) for the financial year ended in the calendar year ending 31 December.
<b>B. Market operators</b>	Not applicable.
<b>B. Service companies</b>	Not applicable
<b>B. MTF operators</b>	Not applicable

**4 Annex 1BR [PRA] PRA activity groups, tariff bases and valuation dates**

Part 1

This table shows how the *PRA* links the *PRA-regulated activities* for which a *PRA-authorized person* has *permission* to activity groups (fee-blocks). A *PRA-authorized person* can use the table to identify which fee-blocks it falls into based on its *permission*.

Activity group	Fee payer falls in the activity group if
<b>A.1 Deposit acceptors</b>	its <i>permission</i> includes <i>accepting deposits</i> <b>BUT DOES NOT</b> include either of the following: <i>effecting contracts of insurance;</i> <i>carrying out contracts of insurance.</i>
<b>A.3 Insurers - general</b>	its <i>permission</i> includes one or more of the following: - <i>effecting contracts of insurance;</i> - <i>carrying out contracts of insurance;</i> in respect of <i>specified investments</i> that are: - <i>general insurance contracts;</i> or - <i>long-term insurance contracts other than life policies.</i>
<b>A.4 Insurers - life</b>	its <i>permission</i> includes one or more of the following: - <i>effecting contracts of insurance;</i> - <i>carrying out contracts of insurance;</i> in respect of <i>specified investments</i> including <i>life policies;</i> - <i>entering as provider into a funeral plan contract.</i>
<b>A.5 Managing agents at Lloyd's</b>	its <i>permission</i> includes <i>managing the underwriting capacity of a Lloyd's syndicate as a managing agent at Lloyd's.</i>
<b>A.6 The Society of Lloyd's</b>	it is the <i>Society of Lloyd's.</i>
<b>A.10 Firms dealing as principal</b>	its <i>permission</i> includes <i>dealing in investments as principal;</i> and the <i>PRA</i> has designated <i>dealing in investments as principal</i> a <i>PRA-regulated activity</i> in respect of the <i>firm.</i>

Part 2	
This table sets out the activity groups (fee blocks) in relation to (i) the minimum fee payable to the <i>PRA</i> and (ii) the transitional fee payable to the <i>PRA</i> .	
Activity group	Fee payer falls into the fee-block if
PA.0 <i>PRA</i> minimum fee	(1) it is in at least one of the fee blocks under Part 1; and (2) it is not a <i>UK ISPV</i> .
PT.1 <i>PRA</i> transitional fee	(1) it is in at least one of the fee blocks under Part 1; and (2) it is not: (a) a <i>firm</i> whose only fee payable to the <i>PRA</i> is the PA.0 <i>PRA</i> minimum fee; and/or (b) a <i>UK ISPV</i> .

Part 3

This table indicates the tariff base for each fee-block set out in Part 1.

The tariff base in this Part is the means by which the *PRA* measures the amount of business conducted by a *PRA-authorised person* for the purposes of calculating the annual periodic fees payable to the *PRA* by that *PRA-authorised person*.

Activity Group	Tariff base
<p><b>A.1</b></p>	<p><b>MODIFIED ELIGIBLE LIABILITIES</b></p> <p>For <i>banks</i> and <i>building societies</i>:</p> <p>Item B of Form ELS (Note (1)):</p> $(1 + 2 + 3 + 4 + 0.6*5 + 6 - 8 - 9A - 9B - 10A - 10B - 10C - 11A - 11B - 0.6*12) + (1/3)*(F1 + F2 + F3 + F4 + 0.6*F5 + F6 - F8 - F9A - F9B - F10A - F10B - F10C - F11A - F11B - 0.6*F12) - 13M$ <p>Notes:</p> <p>(1) All references in the above formula are to entries on Form ELS (that is, the Eligible Liabilities Return completed to provide information by <i>banks</i> and <i>building societies</i> to the Bank of England as required by the Bank of England Act 1998).</p> <p>(2) The figures reported on the Form ELS relate to business conducted out of offices in the <i>United Kingdom</i></p> <p>For <i>credit unions</i>:</p> <p>Deposits with the <i>credit union</i> (share capital)</p> <p>LESS</p> <p>the <i>credit union's</i> bank deposits (investments + cash at bank)</p> <p>Note:</p> <p>Only <i>United Kingdom</i> business is relevant for calculating <i>credit unions'</i> MELs.</p>
<p><b>A.3</b></p>	<p><b>GROSS PREMIUM INCOME AND GROSS TECHNICAL LIABILITIES</b></p> <p>For <i>insurers</i>:</p> <p>The amount of <i>premium</i> receivable which must be included in the documents required to be deposited under <i>IPRU(INS) 9.6</i> in relation to the financial year to which the documents relate</p>

	<p>but disregarding for this purpose such amounts as are not included in the document by reason of a waiver or an order under section 68 of the Insurance Companies Act 1982 carried forward as an amendment to <i>IPRU(INS)</i> under transitional provisions relating to written concessions in <i>SUP</i>;</p>
	<p>AND the amount of gross technical liabilities (<i>IPRU(INS)</i> Appendix 9.1 - Form 15, line 19) which must be included in the documents required to be deposited under <i>IPRU(INS)</i> 9.6R in relation to the financial year to which the documents relate but disregarding for this purpose such amounts as are not included in the document by reason of a <i>waiver</i> or an order under section 68 of the Insurance Companies Act 1982 carried forward as an amendment to <i>IPRU(INS)</i> under transitional provisions relating to written concessions in <i>SUP</i>.</p>
	<p>Notes:</p> <p>(1) in the case of either:</p> <p>(a) a <i>pure reinsurer</i> carrying on <i>general insurance business</i> through a <i>branch</i> in the <i>United Kingdom</i>; or</p> <p>(b) an <i>insurer</i> whose head office is not in an <i>EEA State</i> carrying on <i>general insurance business</i> through a <i>branch</i> in the <i>United Kingdom</i>; or</p> <p>(c) an <i>EEA-deposit insurer</i>;</p> <p>the amount only includes premiums received and gross technical liabilities held in respect of its <i>United Kingdom</i> business;</p> <p>(2) for a <i>Swiss general insurance company</i>, premiums and gross technical liabilities include those relevant to the operations of the company's <i>United Kingdom branch</i>; and</p> <p>(3) a <i>firm</i> need not include premiums and gross technical liabilities relating to <i>pure protection contracts</i> which it reports, and pays a fee on, in the A.4 activity group.</p>
	<p>For <i>friendly societies</i>:</p> <p>Either:</p> <p>(a) the value of contributions as income under Schedule 7: Part I item 1(a) to the Friendly Societies (Accounts and Related Provisions) Regulations 1994 (SI 1994/1983) (the regulations) for a <i>non-directive friendly society</i>, included within the income and expenditure account; or</p> <p>(b) the value of gross premiums written under Schedule 1: Part I items I.1(a) and II.1.(a) of the regulations for a <i>directive friendly society</i> included within the income and expenditure account.</p>
	<p>Notes:</p> <p>(1) In both (a) and (b) above only <i>premium</i> receivable in</p>

	<p>respect of <i>United Kingdom</i> business are relevant.</p> <p>(2) For <i>UK ISPVs</i> the tariff base is not relevant and a flat fee set out in <i>FEES 4 Annex 2BR</i> is payable.</p>
<p><b>A.4</b></p>	<p><b>ADJUSTED GROSS PREMIUM INCOME AND MATHEMATICAL RESERVES</b> (see <i>FEES 4 Annex 12 G</i>)</p> <p>Amount of new regular <i>premium</i> business (yearly premiums including reassurances ceded but excluding cancellations and reassurances accepted), times ten;</p> <p>Plus</p> <p>amounts of new single <i>premium</i> business (total including reassurances ceded but excluding cancellations and reassurances accepted). Group protection business (life and private health insurance) must be included;</p> <p>Less</p> <p>premiums relating to <i>pension fund management</i>;</p> <p>Less</p> <p><i>premiums</i> relating to Trustee Investment Plans.</p> <p>For each of the above, business transacted through independent practitioners or tied agents (either single or multi-tie) will be divided by two in calculating the adjusted gross premium income;</p> <hr/> <p><b>AND</b></p> <p>the amount of mathematical <i>reserves</i> (<i>IPRU(INS)</i> Appendix 9.1R - Form 14 , Line 11) which must be included in the documents required to be deposited under <i>IPRU(INS)</i> 9.6R in relation to the financial year to which the documents relate but disregarding for this purpose such amounts as are not included in the document by reason of a <i>waiver</i> or an order under section 68 of the Insurance Companies Act 1982 carried forward as an amendment to <i>IPRU(INS)</i> under transitional provisions relating to written concessions in <i>SUP</i>;</p> <p>Less</p> <p>mathematical reserves relating to <i>pension fund management</i>.</p> <p>Less</p> <p>mathematical reserves relating to Trustee Investment Plans.</p> <p>Notes:(1) Only <i>premiums</i> receivable and mathematical reserves held in respect of United Kingdom business are relevant.</p> <p>(2) An <i>insurer</i> must include in its calculation of adjusted gross premium income (AGPI) and mathematical reserves (MR) the value of MR and AGPI relating to all risks ceded to</p>

	<p><i>ISPVs.</i></p> <p>(3) Trustee Investment Plans are the class of <i>contract of insurance</i> specified in Class III of Part II of Schedule 1 to the Regulated Activities Order (Contracts of long-term insurance) and which are invested in pooled funds beneficially owned by the <i>insurer</i> and not earmarked to individual beneficiaries by that <i>insurer</i>.</p>
<b>A.5</b>	<p><b>ACTIVE CAPACITY</b></p> <p>The capacity of the <i>syndicate(s)</i> under management in the year in question. This includes the capacity for <i>syndicate(s)</i> that are not writing new business, but have not been closed off in the year in question.</p>
<b>A.6</b>	Not applicable
<b>A.10</b> (only to the extent that the <i>PRA</i> has designated <i>dealing in investments as principal</i> to be a <i>PRA-regulated activity</i> in respect of the <i>firm</i> )	<p><b>NUMBER OF TRADERS</b></p> <p>Any <i>employee</i> or agent, who:</p> <p>ordinarily acts within the <i>United Kingdom</i> on behalf of an <i>authorised person</i> liable to pay fees to the <i>PRA</i> in its fee-block A.10 (firms dealing as principal); and who, as part of their duties in relation to those activities of the authorised person, commits the <i>firm</i> in market dealings or in transactions in <i>securities</i> or in other <i>specified investments</i> in the course of <i>regulated activities</i>.</p> <p>But not any <i>employees</i> or agents who work solely in the <i>firm's MTF</i> operation.</p> <p>A <i>firm</i> may, as an option, report <i>employees</i> or agents as full-time equivalents (FTE), taking account of any part-time staff. In calculating the FTE, <i>firms</i> must take into account the total hours employees or agents have contracted to work for the <i>firm</i> and not the time employees or agents devote to the <i>dealing in investments as principal</i> functions set out in fee-block A.10. Any figures using the FTE calculation to be recorded to one decimal place, rounded down to the nearest decimal place.</p>

Part 4

This table indicates the tariff base for each fee block set out in Part 2 above

The tariff base in this Part is the means by which the *PRA* measures the amount of business conducted by a *firm* for the purposes of calculating the annual periodic fees payable to the *PRA* by that *firm*.

Activity Group	Tariff base
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PA.0	Not applicable because the minimum fee is a specified amount.
PT.1	The total periodic fees payable as a result of Part 1 of <i>FEES</i> 4 Annex 2BR.

<p>Part 5</p> <p>This table indicates the valuation date for each fee-block. A <i>PRA-authorised person</i> can calculate its tariff data in respect of fees payable to the <i>PRA</i> by applying the tariff bases set out in Part 3 with reference to the valuation dates shown in this table.</p>	
<p>IN THIS TABLE, REFERENCES TO SPECIFIC DATES OR MONTHS ARE REFERENCES TO THE LATEST ONE OCCURRING BEFORE THE START OF THE PERIOD TO WHICH THE FEE APPLIES, UNLESS OTHERWISE SPECIFIED - E.G. FOR 13/14 FEES (1 APRIL 2013 TO 31 MARCH 2014), A REFERENCE TO DECEMBER MEANS DECEMBER 2012.</p>	
<p>Where a <i>firm's</i> tariff data is in a currency other than sterling, it should be converted into sterling at the exchange rate prevailing on the relevant valuation date.</p>	
A.1	<p>For <i>banks</i>:</p> <p>Modified eligible liabilities (MELs), valued at: for a <i>firm</i> which reports monthly, the average of the MELs for October, November and December; for a <i>firm</i> which reports quarterly, the MELs for December.</p> <p>For <i>credit unions</i>:</p> <p>MELs, valued at December or as disclosed by the most recent annual return made prior to that date.</p> <p>For <i>building societies</i>:</p> <p>MELs, valued at the average of the MELs for October, November and December.</p>
A.3	<p>Annual gross <i>premium</i> income (GPI), for the financial year ended in the calendar year ending 31 December.</p> <p>AND</p> <p>Gross technical liabilities (GTL) valued at the end of the financial year ended in the calendar year ending 31 December.</p>
A.4	<p>Adjusted annual gross <i>premium</i> income (AGPI) for the financial year ended in the calendar year ending 31 December.</p> <p>AND</p> <p>Mathematical reserves (MR) valued at the end of the financial year ended in the calendar year ending 31 December.</p>



A.5	Active capacity (AC), in respect of the Underwriting Year (as reported to the <i>Society of Lloyd's</i> ) which is current at the beginning of the period to which the fee relates. [Note: this is the Underwriting Year which is already in progress at the start of the fee period - e.g. for 2004/05 fees, the fee period will begin on 1 April 2004, which is in the 2004 Underwriting Year, so the AC for that Underwriting Year is the relevant measure.]
A.6	Not applicable.
A.10	Number of traders as at 31 December.

Delete the following Annex in its entirety. The deleted text is not shown.

**4 Annex Fee tariff rates, permitted deductions and EEA/Treaty firm modifications for 2R the period from 1 April 2012 to 31 March 2013 [deleted]**

After FEES 4 Annex 2R (deleted) insert the following new Annexes 2AR and 2BR. The text is not underlined.

**4 Annex FCA Fee rates and EEA/Treaty firm modifications for the period from 1 2AR April 2013 to 31 March 2014**

[FCA]

<p>Part 1 This table shows the tariff rates applicable to each of the fee blocks set out in Part 1 of <i>FEES 4 Annex 1AR</i>.</p>	
(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 by multiplying the value of the <i>firm's</i> tariff base by the rate applicable 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 3 of <i>FEES 4 Annex 1AR</i> are disproportionate to the difference in fees payable; and
(b)	it notifies the <i>FCA</i> in writing at the same time as it provides the information concerned under <i>FEES 4.4</i> (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 <i>FEES</i> 4.2.2R (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 fee of £250 is payable, unless the <i>firm</i> is a <i>PRA-authorized person</i> in which case an additional fee of £125 is payable instead; and	
(c)	The minimum total fee (including the administrative fee in (b)) is £430, unless the <i>firm</i> is a <i>PRA-authorized person</i> in which case the total minimum total fee (including the administrative fee in (b)) is £215.	
Activity group	Fee payable	
A.1	Band width (million of Modified Eligible Liabilities (MELs))	Fee (/m or part m of MELs)
		General Periodic fee
	>10 – 140	[tbc]
	>140 – 630	[tbc]
	>630 - 1,580	[tbc]
	>1,580 - 13,400	[tbc]
	>13,400	[tbc]
	The tariff rates in A.1 are not relevant for the <i>permissions</i> relating to <i>operating a dormant account fund</i> . Instead a flat fee of 6,000 is payable in respect of these <i>permissions</i>	
A.2	Band width (No. of mortgages and/or home finance transactions)	Fee (/mortgage)
	>50 – 130	[tbc]
	>130 – 320	[tbc]
	>320 - 4,570	[tbc]
	>4,570 - 37,500	[tbc]
	>37,500	[tbc]

A.3	Gross premium income (GPI)	Periodic fee
	Minimum fee ( )	Not applicable
	Band Width ( million of GPI)	Fee (/m or part m of GPI)
	>0.5 - 10.5	[tbc]
	>10.5 - 30	[tbc]
	>30 - 245	[tbc]
	>245 - 1,900	[tbc]
	>1,900	[tbc]
	PLUS	
	Gross technical liabilities (GTL)	General Periodic fee
	Band Width ( million of GTL)	Fee (/m or part m of GTL)
	>1 - 12.5	[tbc]
	>12.5 - 70	[tbc]
	>70 - 384	[tbc]
	>384 - 3,750	[tbc]
	>3,750	[tbc]
	For <i>UK ISPV's</i> the tariff rates are not relevant and a flat fee of 430 is payable in respect of each <i>FCA</i> financial year (the 12 <i>months</i> ending 31 March).	
A.4	Adjusted annual gross premium income (AGPI)	General Periodic fee
	Band Width ( million of AGPI)	Fee (/m or part m of AGPI)
	>1 - 5	[tbc]
	>5 - 40	[tbc]
	>40 - 260	[tbc]
	>260 - 4,000	[tbc]
	>4,000	[tbc]

	PLUS	
	Mathematical reserves (MR)	General Periodic fee
	Band Width ( million of MR)	Fee (/m or part m of MR)
	>1 - 20	[tbc]
	>20 - 270	[tbc]
	>270 - 7,000	[tbc]
	>7,000 - 45,000	[tbc]
	>45,000	[tbc]
A.5	Band Width ( million of Active Capacity (AC))	Fee (/m or part m of AC)
	>50 - 150	[tbc]
	>150 - 250	[tbc]
	>250 – 500	[tbc]
	>500 - 1,000	[tbc]
	>1,000	[tbc]
A.6	Flat fee	[tbc]
A.7	For class 1(C), (2) and (3) <i>firms</i> :	
	Band Width (million of Funds under Management (FuM))	Fee (/m or part m of FuM)
	>10 - 150	[tbc]
	>150 - 2,800	[tbc]
	>2,800 - 17,500	[tbc]
	>17,500 - 100,000	[tbc]
	>100,000	[tbc]
	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	Band Width ( million of Gross Income (GI))	Fee (/m or part m of GI)
	>1 - 4.5	[tbc]
	>4.5 – 17	[tbc]
	>17 – 145	[tbc]
	> 145 – 750	[tbc]
	>750	[tbc]
A.10	Band Width (No. of traders)	Fee (/person)
	2 – 3	[tbc]
	4 – 5	[tbc]
	6 – 30	[tbc]
	31 – 180	[tbc]
	>180	[tbc]
	For <i>firms</i> carrying on <i>auction regulation bidding</i> , the fee in A.10 is calculated as above less 20% for each trader that carries on <i>auction regulation bidding</i> but not <i>MiFID business bidding</i> or <i>dealing in investments as principal</i> .	
A.12	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	[tbc]	[tbc]
A.13	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	[tbc]	[tbc]
A.14	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £

		thousand of AI)
	[tbc]	[tbc]
A.18	Band Width ( thousands of Annual Income (AI))	Fee (/ thousand or part thousand of AI)
	>100 – 180	[tbc]
	>180 - 1,000	[tbc]
	>1,000 - 12,500	[tbc]
	>12,500 - 50,000	[tbc]
	>50,000	[tbc]
A.19	Band Width ( thousands of Annual Income (AI))	Fee (/ thousand or part thousand of AI)
	>100 – 325	[tbc]
	>325 - 10,000	[tbc]
	>10,000 - 50,750	[tbc]
	>50,750 - 250,000	[tbc]
	>250,000	[tbc]
B. Market operators	[tbc]	-
B. Service companies	Bloomberg LP	[tbc]
	LIFFE Services Ltd	[tbc]
	OMGEO Ltd	[tbc]
	Reuters Ltd	[tbc]
	Swapswire Ltd	[tbc]

B. <i>MTF</i> operators	As set out in <i>FEES</i> 4 Annex 10R (Periodic fees for <i>MTF</i> operators).	
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Part 2		
This table shows the tariff rates applicable to each of the fee blocks set out in Part 2 of <i>FEES</i> 4 Annex 1AR.		
A.0	(1)	[tbc] unless:
		(a) It is a <i>credit union</i> that meets the conditions in (2), in which case the minimum fee payable is as set out in (2);
		(b) it is a <i>non-directive friendly society</i> that falls into the A.3 activity group but not the A.4 activity group and meets the conditions set out in (3)(a), in which case the minimum fee payable is [tbc]; or.
		(c) it is a <i>non-directive friendly society</i> that falls into the A.4 activity group but not the A.3 activity group and meets the conditions in (3)(b), in which case the minimum fee payable is [tbc]; or
		(d) it is a <i>non-directive friendly society</i> that falls into the A.3 and A.4 activity groups and meets the conditions in (3)(a) and (3)(b), in which case the minimum fee payable is [tbc];
		(e) it is also a <i>PRA-authorised person</i> , in which case the minimum fee is 50% of any fee which would otherwise apply under (1)(a) to (1)(d) or (2) .
		(2) The conditions referred to in (1)(a) are that the <i>credit union</i> has a tariff base (Modified Eligible Liabilities) of:
		(a) 0 to 0.5million, in which case a minimum fee of [tbc] is payable; or
		(b) greater than 0.5million but less than 20 million, in which case a minimum fee of [tbc] is payable.
		(3) The conditions referred to in (1) are that:
		(a) the <i>non-directive friendly society</i> falls into the A.3 activity group and has, for that activity, 0.5 million or less in gross <i>premium</i> income and holds gross technical liabilities of 1.0 million or less;

	(b)	the <i>non-directive friendly society</i> falls into the A.4 activity group and has, for that activity, written 1.0 million or less in adjusted gross <i>premium</i> income and holds mathematical reserves of 1.0 million or less.
		The figures for gross <i>premium</i> income, gross technical liabilities, adjusted gross <i>premium</i> income and mathematical reserves are the same as used for Part 1 of this Annex.
AP.0		Periodic fees payable under Part 1 multiplied by rate £[tbc]

Part 3	
This table shows the modifications to fee tariffs that apply in respect of the <i>FCA</i> to <i>incoming EEA firms</i> and <i>incoming Treaty firms</i> which have established branches in the UK.	
Activity Group	Percentage deducted from the tariff payable under Part 1 applicable to the <i>firm</i>
A.1	[tbc]
A.3	[tbc]
A.4	[tbc]
A.7	[tbc]
A.9	[tbc]
A.10	In relation to each trader that carries on <i>auction regulation bidding</i> but not <i>MiFID business bidding or dealing in investments as principal</i> , 100%. In relation to all other traders, 0%.
A.12	[tbc]
A.13	[tbc]
A.19	[tbc]
B. <i>MTF</i> operators	Not applicable
AP.0	100%
Note 1	The modifications to fee tariffs payable by an <i>incoming EEA firm</i> or an <i>incoming Treaty firm</i> which has established a branch in the UK



	apply only in relation to the relevant <i>regulated activities</i> of the <i>firm</i> which are <i>passport activities</i> or <i>Treaty activities</i> and which are carried on in the <i>UK</i> .
Note 2	The <i>FCA</i> minimum fee described in Part 2 of <i>FEES 4 Annex 2AR</i> applies in full and the modifications in this Part do not apply to it.

**4 Annex 2BR [PRA] PRA fee rates and EEA/Treaty firm modifications for the period from 1 April 2013 to 28 February 2014**

Part 1	
This table shows the tariff rates applicable to each of the fee blocks set out in Part 1 of <i>FEES 4 Annex 1BR</i> .	
(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 by multiplying the value of the <i>firm's</i> tariff base by the rate applicable to each tranche of the tariff base, as indicated.
(2)	A <i>firm</i> may apply the relevant tariff bases and rates to non- <i>UK</i> business, as well as to its <i>UK</i> business, if:
(a)	it has reasonable grounds for believing that the costs of identifying the <i>firm's</i> <i>UK</i> business separately from its non- <i>UK</i> business in the way described in Part 3 of <i>FEES 4 Annex 1BR</i> are disproportionate to the difference in fees payable; and
(b)	it notifies the <i>FCA</i> (acting as the collecting agent of the <i>PRA</i> ) in writing at the same time as it provides the information concerned under <i>FEES 4.4</i> (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 <i>FEES 4.4.2R</i> (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 125 is payable; and
(c)	the minimum total fee (including the administrative fee in (b)) is 215.
Activity group	Fee payable

A.1	Band width (£ million of Modified Eligible Liabilities (MELs))	Fee (£/£m or part £m of MELs)
		General Periodic fee
	>10 – 140	[tbc]
	>140 – 630	[tbc]
	>630 – 1,580	[tbc]
	>1,580 – 13,400	[tbc]
	>13,400	[tbc]
A.3	Gross premium income (GPI)	General periodic fee
	Minimum fee (£)	[tbc]
	Band Width (£ million of GPI)	Fee (£/£m or part £m of GPI)
	>0.5 – 10.5	[tbc]
	>10.5 – 30	[tbc]
	>30 – 245	[tbc]
	>245 – 1,900	[tbc]
	>1,900	[tbc]
	Plus	
	Gross technical liabilities (GTL)	General Periodic fee
	Band Width (£ million of GTL)	Fee (£/£m or part £m of GTL)
	>1 – 12.5	[tbc]
	>12.5 – 70	[tbc]
	>70 – 384	[tbc]
	>384 – 3,750	[tbc]
	>3,750	[tbc]

	For <i>UK ISPV's</i> the tariff rates are not relevant and a flat fee of [tbc] is payable in respect of each <i>fee year</i> [tbc]	
A.4	Adjusted annual gross premium income (AGPI)	General Periodic fee
	Minimum fee (£)	[tbc]
	Band Width (£ million of AGPI)	Fee (£/£m or part £m of AGPI)
	>1 – 5	[tbc]
	>5 – 40	[tbc]
	>40 – 260	[tbc]
	>260 – 4,000	[tbc]
	>4,000	[tbc]
	PLUS	
	Mathematical reserves (MR)	General Periodic fee
	Minimum fee (£)	[tbc]
	Band Width (£ million of MR)	Fee (£/£m or part £m of MR)
	>1 –20	[tbc]
	>20 – 270	[tbc]
	>270 – 7,000	[tbc]
	>7,000 – 45,000	[tbc]
>45,000	[tbc]	
A.5	Band Width (£ million of Active Capacity (AC))	Fee (£/£m or part £m of AC)
	>50 – 150	[tbc]
	>150 – 250	[tbc]
	>250 – 500	[tbc]

	>500 – 1,000	[tbc]
	>1,000	[tbc]
A.6	Flat fee	[tbc]
A.10	Band Width (No. of traders)	Fee (£/trader)
	2 – 3	[tbc]
	4 – 5	[tbc]
	6 – 30	[tbc]
	31 – 180	[tbc]
	>180	[tbc]

Part 2		
This table sets out the tariff rate applicable to each of the fee blocks set out in Part 2 of <i>FEES 4 Annex 1BR</i>		
PA.0	(1)	The minimum fee payable by any <i>firm</i> referred to in (3) is [tbc] unless:
	(a)	it is a <i>credit union</i> that meets the conditions in (2), in which case the minimum fee payable is as set out in (2); or
	(b)	it is a <i>non-directive friendly society</i> that falls into the A.3 activity group but not the A.4 activity group and meets the conditions set out in (3)(a), in which case the minimum fee payable is [tbc]; or.
	(c)	it is a <i>non-directive friendly society</i> that falls into the A.4 activity group but not the A.3 activity group and meets the conditions in (3)(b), in which case the minimum fee payable is [tbc]; or
	(d)	it is a <i>non-directive friendly society</i> that falls into the A.3 and A.4 activity groups and meets the conditions in (3)(a) and (3)(b), in which case the minimum fee payable is [tbc];
	(2)	The conditions referred to in (1)(a) are that the <i>credit union</i> has a tariff base (Modified Eligible Liabilities) of:
	(a)	0 to 0.5million, in which case a minimum fee of [tbc] is

		payable; or
	(b)	greater than 0.5million but less than 2.0million, in which case a minimum fee of [tbc] is payable.
	(3)	The conditions referred to in (1) are that:
	(a)	the <i>non-directive friendly society</i> falls into the A.3 activity group and has, for that activity, 0.5 million or less in gross <i>premium</i> income and holds gross technical liabilities of 1.0 million or less;
	(b)	the <i>non-directive friendly society</i> falls into the A.4 activity group and has, for that activity, written 1.0 million or less in adjusted gross <i>premium</i> income and holds mathematical reserves of 1.0 million or less.
		The figures for gross <i>premium</i> income, gross technical liabilities, adjusted gross <i>premium</i> income and mathematical reserves are the same as used for Part 1 of this Annex.
PT.1		Periodic fees payable under Part 1 multiplied by rate £[tbc]

Part 3	
This table shows the modifications to fee tariffs that apply to <i>incoming EEA firms</i> and <i>incoming Treaty firms</i> which have established branches in the UK.	
Activity Group	Percentage deducted from the tariff payable under Part 1 applicable to the <i>firm</i>
A.1	50%
A.3	90 %
A.4	90%
Note 1	The modifications to fee tariffs payable by an <i>incoming EEA firm</i> or an <i>incoming Treaty firm</i> which has established a branch in the <i>UK</i> apply only in relation to the relevant regulated activities of the firm which are <i>passport activities</i> or <i>Treaty activities</i> and which are carried on in the <i>UK</i> .
Note 2	The <i>PRA</i> minimum fee described in Part 2 of <i>FEES 4 Annex 2BR</i> applies in full and the modifications in this Part do not apply to it.

Amend the following as shown.

**4 Annex Periodic fees for recognised investment exchanges, recognised clearing houses and recognised auction platforms payable in relation to the period 1 April**

6R 2012 2013 to 31 March 2013 2014

[FCA]

In this Annex
- the term <i>recognised body</i> includes a body which was a recognised investment exchange <del>or a recognised clearing house</del> recognised under the Financial Services Act 1986 and which is a <i>recognised body</i> as a result of Regulation 9 of the <i>Recognition Requirements Regulations</i> .
- the term recognition order includes a recognition order by the <i>FSA</i> under section 37 <del>or 39</del> of the Financial Services Act 1986 or a recognition order made by the Treasury under section 40 of the Financial Services Act 1986 <u>in relation to overseas investment exchanges</u> .

Part 1 – Periodic fees for UK ~~recognised clearing houses and~~ recognised investment exchanges

Name of UK recognised body	Amount payable	Due date
Euroclear UK & Ireland Limited	300,000	30 April 2012
	410,500	1 September 2012
...		
LCH Clearnet Limited	350,000	30 April 2012
	545,000	1 September 2012
...		
European Central Counterparty Limited	177,500	30 April 2012
	203,000	1 September 2012
ICE Clear Europe Limited	270,000	30 April 2012
	416,500	1 September 2012
Chicago Mercantile Exchange Clearing Europe	200,000	30 April 2012
	275,000	1 September 2012
...		
<i>Any other UK recognised</i>	250,000	30 days after the date on

<i>clearing house</i> recognised as such by a <i>recognition order</i> made in the period		which the <i>recognition</i> <i>order</i> is made
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...

Part 2 – Periodic fees for overseas recognised bodies

Name of overseas recognised body	Amount payable	Due date
...		
SIS x clear AG	125,000	1 July 2012
Eurex Clearing AG	85,000	1 July 2012
ICE Clear US Inc	85,000	1 July 2012
Chicago Mercantile Exchange (CME) (ROCH)	125,000	1 July 2012
European Multi Lateral Clearing Facility	125,000	1 July 2012
Cassa di Compensazione e Garanzia (CC&G)	85,000	1 July 2012
LCH Clearnet SA	125,000	1 July 2012
...		
Any other <i>overseas</i> <i>clearing house</i> recognised as such by a <i>recognition order</i> made in the period	70,000	30 days after the date on which the <i>recognition</i> <i>order</i> is made

...

**4 Annex 7R Periodic fees in relation to the Listing Rules for the period 1 April 2012 2013 to 31 March 2013 2014**

[FCA]

...

There is deducted from the fee specified in this Annex 1.8% of the fee payable to take into account financial penalties received by the *FSA* under section 91 of the *Act* in the previous financial year.

...

**4 Annex 8R** **Periodic fees in relation to the disclosure rules and transparency rules for the period 1 April ~~2012~~ 2013 to 31 March ~~2013~~ 2014**

[FCA]

...

~~There is deducted from the fee specified in this Annex 1.8% of the fee payable to take into account financial penalties received by the FSA under section 91 of the Act in the previous financial year.~~

...

**4 Annex 9R** **Periodic fees in respect of securities derivatives for the period 1 April ~~2012~~ 2013 to 31 March ~~2013~~ 2014**

[FCA]

Part 1

This table shows the fee amount application to *firms* and *market operators* in respect of certain *securities derivatives*.

...

~~The fee shown in the table below for *firms* (but not *market operators*) will be subject to a deduction of 1.2% if that fee were a periodic fee charged under FEES 4.3.3R, and the deduction were a deduction set out in Part 2 of FEES 4 Annex 2R.~~

...

...

**4 Annex 10R** **Periodic fees for MTF operators payable in relation to the period 1 April ~~2012~~ 2013 to 31 March ~~2013~~ 2014**

[FCA]

...

~~There is deducted from the fee specified in this Annex 9.3% of the fee payable to take into account financial penalties received by the FSA under section 66, 123 and 206 of the Act in the previous financial year.~~

**4 Annex 11R** **Periodic fees in respect of payment services carried on by fee-paying payment services providers under the Payment Services Regulations and electronic money issuers under the Electronic Money Regulations and issuance of regulated covered bonds by issuers in relation to the period 1 April ~~2012~~ 2013 to 31 March ~~2013~~ 2014**

[FCA]



...

~~Part 6— Permitted deductions for financial penalties pursuant to regulation 85 of the *Payment Services Regulations*, regulation 51 of the *Electronic Money Regulations* and regulation 34 of the *RCB Regulations*, as applicable~~

~~Fee-paying payment services providers, fee-paying electronic money issuers and issuers of regulated covered bonds may make deductions provide for in this Part.~~

<b>Activity group</b>	<b>Nature of deduction</b>	<b>Amount of deduction</b>
G.2	Financial penalties received	0.0%
G.3	Financial penalties received	0.0%
G.4	Financial penalties received	0.0%
G.5	Financial penalties received	0.0%
G.10	Financial penalties received	0.0%
G.11	Financial penalties received	0.0%
G.15	Financial penalties received	0.0%

**4 Annex 11AR Definition of annual income for the purposes of calculating fees in fee-blocks A.12, A.13 and A.14**

[FCA]

Annual income
<p>"Annual income" is an amount equal to the net amount retained by the <i>firm</i> of all income due to the firm in respect of, or in relation to, the provision in the <i>UK</i> of the <i>regulated activities</i> specified in <del>FEES 4 Annex 1R, Part 1</del> <u>Annex 1AR Part 1</u> as belonging to fee-blocks A.12, A.13 and A.14.</p> <p>For the purposes of calculating annual income, 'net amount retained' means:</p> <p>(a) all brokerages, <i>commissions</i>, <i>fees</i>, and other related income (for example, administration <i>charges</i>, overrides, profit shares etc) due to the <i>firm</i> in respect of, or in relation to, the provision in the <i>UK</i> of the <i>regulated activities</i> specified in <del>FEES 4 Annex 1R, Part 1</del> <u>Annex 1AR Part 1</u> as belonging to fee-blocks A.12, A.13 or A.14 and which the <i>firm</i> has not rebated to <i>clients</i> or passed on to other <del>authorised firms</del></p>

*authorised firms* (for example, where there is a commission chain).

...

...

**4 Annex 12G Guidance on the calculation of tariffs set out in FEES 4 Annex 1 R Part 2 Annex 1AR Part 3**

[FCA/  
PRA]

...

Table 2: Fee-blocks A.12, A.13 and A.14

Calculating and apportioning annual income – FEES 4 Annex 11A R
Calculating annual income
<p>(1) Annual income should include all amounts due to the <i>firm</i> arising out of the <i>regulated activities</i> referred to in fee-blocks A.12, A.13 and A.14 for which the <i>firm</i> holds <del>permission</del> <i>permission</i>, including regulate <i>charges</i> and instalments due to the <i>firm</i> during the reporting year.</p> <p>The <i>firm</i> should refer to the fee-block definitions in <i>FEES 4 Annex 1R Annex 1AR</i>, Part 1 to decide which particular income streams should be taken into account when calculating its annual income for the purposes of fee-blocks A.12, A.13 and A.14.</p> <p>...</p>
Apportioning income
<p>...</p> <p>(7) It is for the individual <i>firms</i> to determine how they should calculate the appropriate split of income. The <del>FSA</del> <i>FCA</i> is not prescriptive about the methodology. It requires only that:</p> <p>(a) the approach should be proportionate – the <del>FSA</del> <i>FCA</i> is looking for <i>firms</i> to make their best efforts to estimate the split.</p> <p>...</p>

...

**5 Financial Ombudsman Service Funding**

...

**5.4 Information requirement**

5.4.1 R ...

[FCA]

- (4) For the purposes of *FEES 5.4.1R*, references to *relevant business* for a *firm* which falls in *industry block 16* or *17* and which so elects under

*FEES 5 Annex 1R*, are references to the *firm's* total amount of annual income reported in accordance with ~~Part 2 of *FEES 4 Annex 1R*~~ Part 3 of *FEES 4 Annex 1AR*.

- (5) If a *firm* does not submit a complete statement by the date on which it is due in accordance with this *rule* and any prescribed submission procedures:
- (a) the *firm* must pay an administrative fee of 250 (but not if it is already subject to an administrative fee under ~~*FEES 4 Annex 2R*~~, ~~Part 1 *FEES 4 Annex 2AR*~~, Part 1 or *FEES 6.5.16R* for the same *financial year*); and

...

...

**5 Annex 1R Annual General Levy Payable in Relation to the Compulsory Jurisdiction for 2012/13 2013/14**

[FCA]

...

Notes

4	...
5	The <i>industry blocks</i> in the table are based on the equivalent activity groups set out in Part 1 of <del><i>FEES 4 Annex 1R</i></del> <u><i>FEES 4 Annex 1AR</i></u> and Part 2A of <i>FEES Annex 11R</i>
6	Where the tariff base in the table is defined in similar terms as that for the equivalent activity group in <del>Part 2 of <i>FEES 4 Annex 1R</i></del> <u>Part 3 of <i>FEES 4 Annex 1AR</i></u> or Part 3 of <i>FEES 4 Annex 11R</i> , it must be calculated in the same way as that tariff base – taking into account only the <i>firm's relevant business</i> .
...	

...

**6. Financial Services Compensation Scheme Funding**

...

**6.4 Management expenses**

...

Base costs levy

- 6.4.5 R Subject to *FEES 6.3.22R*, the *FSCS* must calculate a *participant firm's* share of

[FCA/  
PRA]

a *base cost levy* by:

- (1) identifying the *base costs* which the *FSCS* has incurred, or expects to incur, in the relevant financial year of the *compensation scheme*, but has not levied; and
  - (a) allocating 50% of those *base costs* as the sum to be levied on participants in activity groups A.1, A.3, A.4, A.5 and A.6 (as listed in *FEES 4 Annex 1R Annex 1BR*); and
  - (b) allocating 50% of those *base costs* as the sum to be levied on participants in all the activity groups listed in *FEES 4 Annex 1R Annex 1AR*;

...

...

## 6.5 Compensation costs

...

Reporting requirements

6.5.16  
[FCA/  
PRA]

R If a *participant firm* does not submit a complete statement by the date on which it is due in accordance with *FEES 6.5.13R* and any prescribed submission procedures:

- (1) the *firm* must pay an administrative fee of £250 (but not if it is already subject to an administrative fee under *FEES 4 Annex 2 Part 1 Annex 2AR, Part 1* or *FEES 5.4.1R* for the same financial year); and

...

...

## 6 Annex 3R Financial Services Compensation Scheme - classes

[FCA/  
PRA]

This table belongs to *FEES 6.5.7R*

...

Class B	General Insurance
Class B1	General Insurance Provision
...	
Tariff base	Class B1: <i>Relevant net premium income</i> and eligible gross technical liabilities. The levy is split into two in the ratio 75:25. The tariff base

	<p>for the first portion (75%) is calculated by reference to <i>relevant net premium income</i>. The tariff base for the second portion (25%) is based on eligible gross technical liabilities.</p> <p>Eligible gross technical liabilities are calculated in accordance with the method for calculating gross technical liabilities in fee block A3 in <del>part 2 of FEES 4 Annex 1R</del> <u>Part 3 of FEES 4 Annex 1BR</u> with the following adjustments.</p> <p>...</p> <p>(4) None of the notes for the calculation of fees in fee block A3 in <del>part 2 of FEES 4 Annex 1R</del> <u>Part 3 of FEES 4 Annex 1BR</u> apply except for the purposes of (2).</p> <p>...</p>
...	
Class C	Life and Pensions
...	
Tariff base	<p>Class C1: <i>Relevant net premium income</i> and eligible mathematical reserves. The levy is split into two in the ratio 75:25. The tariff base for the first portion (75%) is calculated by reference to <i>relevant net premium income</i>. The tariff base for the second portion (25%) is based on mathematical reserves.</p> <p>Eligible mathematical reserves are calculated in accordance with the method for calculating mathematical reserves in fee block A4 in <del>part 2 of FEES 4 Annex 1R</del> <u>Part 3 of FEES 4 Annex 1BR</u> with the following adjustments.</p> <p>...</p> <p>(4) None of the notes for the calculation of fees in fee block A4 in <del>part 2 of FEES 4 Annex 1R</del> <u>Part 3 of FEES 4 Annex 1BR</u> apply except for the purposes of (2).</p> <p>....</p> <p>(7) The provisions relating to pension fund management business in <del>Part 2 of FEES 4 Annex 1R</del> <u>Part 3 of FEES 4 Annex 1AR</u> do not apply. A <i>firm</i> undertaking such business that does not carry out any other activities within <i>class C1</i> (ignoring any activities that would have a wholly insignificant effect on the calculation of its tariff base for <i>Class C1</i>) must use its Long-term insurance capital requirement instead of gross technical liabilities. The Long-term insurance capital requirement means the amount that it is required to show as its Long-term insurance capital requirement in Form 2 Line 31 (Statement of solvency - Long-term insurance business) in relation to the most recent financial year of the <i>firm</i> (as at the applicable reporting date under FEES 6.5.13R) for which the <i>firm</i> is required to have reported that information to the PRA.</p>

	...
...	

...

**6 Annex 4G Guidance on the calculation of tariff bases**

**4G**

[FCA/  
PRA]

This table belongs to *FEES* 6.5.8G

Calculation of annual eligible income for firms in class D1 who carry out discretionary fund management and are in FCA fee block A7.		
...		
Calculation of annual eligible income for firms in sub-class D1 who carry out activities within <i>FCA</i> fee block A9		
2.1	G	The calculation of income in respect of activities falling into <i>class</i> D1 and <i>FCA</i> fee block A9 should be based on the tariff base provision for that fee block (in <del>Part 2 of <i>FEES</i> 4 Annex 1R</del> Part 3 of <i>FEES</i> 4 Annex 1AR). It should be adjusted so as to exclude income that is not attributable to business conducted with or for the benefit of <i>eligible claimants</i> , unless the <i>firm</i> chooses to include such income.

...

**7 CFEB Levies**

...

**7.2 The CFEB levy**

...

7.2.2 R The *CFEB* levy is calculated as follows:

[FCA]

- (1) identify each of the activity groups set out in Part 1 of *FEES* 7 Annex 1R that apply to the business of the *firm* for the relevant period (for this purpose, the activity groups are defined in accordance with Part 1 of ~~*FEES* 4 Annex 1R~~ Annex 1AR);

...

7.2.3 R The amount payable by a *firm* with respect to a particular activity group is calculated as follows:

[FCA]

- (1) calculate the size of the *firm's* tariff base for that activity group using the tariff base calculations in ~~Part 2 of *FEES* 4 Annex 1R~~ Part 3 of *FEES* 4 Annex 1AR and Part 3 of *FEES* 4 Annex 11R and the valuation date requirements in ~~Part 3 of *FEES* 4 Annex 1R~~ Part 5 of *FEES* 4 Annex 1AR and Part 3 of *FEES* 4 Annex 11R;

...

7.2.4 R For the purposes of *FEES* 7.2.3R:

[FCA]

- (1) a *firm* may apply the relevant tariff bases and rates to its non-UK business, as well as to its UK business, if:
- (a) it has reasonable grounds for believing that the costs of identifying the *firm's* UK business separately from its non-UK business in the way described in ~~Part 2 of *FEES* 4 Annex 1R~~ Part 3 of *FEES* 4 Annex 1AR and Part 1 of *FEES* 4 Annex 11R are disproportionate to the difference in fees payable; and

...

...

7.2.5 R The modifications in Part 3 of *FEES* 4 ~~Annex 2R~~ Annex 2AR and Part 7 of *FEES* 4 Annex 11R apply.

[FCA]

...

7.2.9 R Table of rules in *FEES* 4 that also apply to *FEES* 7 to the extent that in *FEES* 4 they apply to fees payable to the FCA

[FCA]

...

...

7.2.10 G References in a *FEES* 4 rule incorporated into *FEES* 7 by cross-reference to a periodic fee should be read as being the *CFEB* levy. References in a *FEES* 4 rule incorporated into *FEES* 7 to *market operators, service companies, MTF operators, investment exchanges, clearing houses, or designated professional bodies* or ~~Solvency 2 Implementation fees, Solvency 2 Implementation Flat fees, Solvency 2 Special Project fees and Solvency 2 Special Project Flat fees~~ should be disregarded.

[FCA]

...

7.2.12 R Table of *FEES* 4 rules that correspond to *FEES* 7 rules

[FCA]

FEES 4 rules	Corresponding Fees 7 rules
...	
Part 1 of <i>FEES</i> 4 <del>Annex 2R</del> <u>Annex 2AR</u>	Part 1 of <i>FEES</i> 7 Annex 1R
...	

...

**7 Annex 1R CFEb levies for the period from 1 April 2012 2013 to 31 March 2013 2014**

[FCA] This table shows the *CFEB levy* applicable to each activity group (fee-block)

Activity Group	<i>CFEB levy payable</i>	
...		
A.7	For class 1(C), (2) and (3) firms:	
	...	
	Class 1(A), (B) and (C) firms are defined in <del>FEES 4 Annex 1R</del> <u>FEES 4 Annex 1AR</u>	
...		

...

**TP 7 Transitional provisions relating to changes to the FSCS levy arrangements taking effect in 2013/14**

7.1 R As at 31 March 2013, the *FSCS* must:

[FCA/  
PRA]

- (1) allocate any surplus or deficit in the balance of an *FSA* activity group in respect of *base costs*, as listed in ~~FEES 4 Annex 1R~~ to the account of ~~that the corresponding FCA~~ activity group as listed in FEES 4 Annex 1AR as at 1 April 2013; and

...

...

After TP 7 insert the following new transitional provisions TP 8. The text is not underlined

**TP 8 Transitional provisions relating to FEES 3 Annex 9R and FEES 4.3.6R taking effect in 2013/14**

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
<b>8.1</b>	<b>Special project fee transitional provisions</b>				



<p>8.1.1 [FCA/ PRA]</p>	<p><i>FEES 3</i> Annex 9R</p>	<p>R</p>	<p>This <i>rule</i> relates to a special project fee or part of a special project fee which has the following characteristics:</p> <p>(1) one or more of the events described in <i>FEES 3 Annex 9R(2)</i> or (6) had occurred before 1 April 2013; and</p> <p>(2) <i>FSA</i> employees conducted regulatory work which had been recorded on the <i>FSA</i>'s systems and/or the <i>FSA</i> was invoiced fees and disbursements as a consequence of the applicable event or events referred to in <i>FEES 3 Annex 9R(2)</i> or (6) before 1 April 2013.</p> <p>(3) Hours or part hours worked by <i>FSA</i> staff and any fees or disbursements invoiced to the <i>FSA</i> of the kind described in <i>FEES 3 Annex 9R(9)</i> which were not accounted for in an invoice issued by the <i>FSA</i> prior to 31 March 2013 shall be named "pre-LCO accrued costs" in <i>FEES TP 8.1</i>.</p>	<p>From 1 April 2013 indefinitely</p>	<p>1 April 2013</p>
<p>8.1.2 [FCA/ PRA]</p>	<p><i>FEES 3</i> Annex 9R</p>	<p>R</p>	<p>In relation to the kind of special project fee specified in <i>FEES TP 8.1.1R</i>,</p> <p>(a) where one of the events referred to in <i>FEES 3 Annex 9R(6)(a)</i> had occurred, any pre-LCO accrued costs shall be included in the calculation of any amount payable to the <i>FCA</i> under <i>FEES 3 Annex 9R(9)</i>;</p> <p>(b) a special project fee is payable to the <i>FCA</i> regardless of whether the amount calculated according to <i>FEES 3 Annex 9R</i> for the <i>FCA</i> is less than £50,000; and</p> <p>(c) no special project fee is payable</p>	<p>From 1 April 2013 indefinitely</p>	<p>1 April 2013</p>

			if the sum total of adding together (i) the amount calculated in accordance with <i>FEES 3 Annex 9R(9)</i> in respect of the <i>FCA</i> and (ii) the total costs invoiced by the <i>FSA</i> before 1 April 2013 results in a total amount of less than £50,000.		
8.1.3 [FCA/ PRA]	<i>FEES 3 Annex 9R</i>	R	<p>In relation to the kind of special project fee specified in <i>FEES TP 8.1.1R</i>, where one of the events referred to in <i>FEES 3 Annex 9R(2)</i> or (9)(b) had occurred:</p> <p>(a) 50% of the pre-LCO accrued costs shall be included in the calculation of any amount payable to the <i>FCA</i> under <i>FEES 3 Annex 9R(9)</i>;</p> <p>(b) 50% of the pre-LCO accrued costs shall be included in the calculation of any amount payable to the <i>PRA</i> under <i>FEES 3 Annex 9R(9)</i>;</p> <p>(c) a special project fee is payable to the <i>appropriate regulator</i> regardless of whether the amount calculated according to <i>FEES 3 Annex 9R</i> for the <i>appropriate regulator</i> is less than £50,000; and</p> <p>(d) no special project fee is payable if the sum total of adding together (i) the amount calculated in accordance with <i>FEES 3 Annex 9R(9)</i> in respect of the <i>FCA</i>, (ii) the amount calculated in accordance with <i>FEES 3 Annex 9R(9)</i> in respect of the <i>PRA</i> and (iii) the total costs invoiced by the <i>FSA</i> before 1 April 2013 results in a total amount of less than £50,000.</p>	From 1 April 2013 indefinitely	1 April 2013
8.1.4 [FCA/ PRA]	<i>FEES 3 Annex 9R</i>	G	As a result of <i>FEES TP 8.1.3R</i> , pre-LCO accrued costs may give rise to two separate fee payment obligations following 1 April 2013, one in respect of the <i>FCA</i> and one	From 1 April 2013 indefinitely	1 April 2013

			in respect of the <i>PRA</i> if the threshold in <i>FEES</i> TP 8.1.3(d) is breached.		
8.1.5 [FCA/ PRA]	<i>FEES</i> 3 Annex 9R	G	<p>(1) This <i>guidance</i> gives examples of how <i>FEES</i> TP 8.1 is intended to operate.</p> <p>(2) If an event specified in <i>FEES</i> 3 Annex 9R(2) occurred on 1 April 2012, the £50,000 threshold was breached on 1 November and the <i>FSA</i> invoiced for the full amount outstanding as at 1 December 2012 but issued no further invoices, any accrued hours or part hours and fees or disbursements invoiced to the <i>FSA</i> between 1 December 2012 and 1 April 2013 will be divided equally between the <i>FCA</i> and the <i>PRA</i> and an amount would be payable to the <i>FCA</i> and the <i>PRA</i> as separate fees regardless of whether the separate thresholds contained in <i>FEES</i> 3 Annex 9R(8) are met as long as the combined <i>FSA</i>, <i>FCA</i> and <i>PRA</i> costs incurred exceeded £50,000.</p> <p>(3) If an event specified in <i>FEES</i> 3 Annex 9R(6)(a) occurred on 1 February 2013, the <i>FSA</i> had begun the relevant regulatory work but had yet issued any invoices or breached the 50,000 floor before 1 April 2013, the accrued hours and disbursements will be allocated towards the <i>FCA</i>'s fee calculation.</p>	From 1 April 2013 indefinitely	1 April 2013
<b>8.2</b>	<b>On account fee transitional provisions</b>				
8.2.1 [FCA/ PRA]	<i>FEES</i> 4.3.6R(1) and (1A)	R	For the 2013/2014 <i>fee year</i> , “previous <i>fee year</i> ” is replaced by “ <i>FSA</i> financial year for 2012/2013” and “periodic fee” is replaced by “periodic fee payable to the <i>FSA</i> ”.	1 April 2013 until 31 March 2014	1 April 2013
8.2.2 [FCA/ PRA]	<i>FEES</i> 4.3.6R (1)(a) and (1A)(a)	R	For the 2013/2014 <i>fee year</i> , “ <i>FCA</i> periodic fee” and “ <i>PRA</i> periodic fee”, as applicable, is replaced by “ <i>FSA</i> periodic fee” and “previous <i>fee year</i> ” is replaced by “ <i>FSA</i>	1 April 2013 until 31 March 2014	1 April 2013

			financial year for 2012/2013.”		
8.2.3 [FCA/ PRA]	<i>FEES</i> 4.3.6R (1)(a)	R	For the 2013/2014 <i>fee year</i> , in relation to <i>PRA-authorised persons</i> only, “50%” is replaced by “23.5%”.	1 April 2013 until 31 March 2014	1 April 2013
8.2.4 [FCA/ PRA]	<i>FEES</i> 4.3.6R (1A)(a)	R	For the 2013/2014 <i>fee year</i> , “50%” is replaced by “26.5%”.	1 April 2013 until 31 March 2014	1 April 2013
8.2.5 [FCA/ PRA]	<i>FEES</i> 4.3.6R	R	<i>Firms, regulated covered bonds issuers, designated professional bodies and recognised investment exchanges</i> which, prior to 1 April 2013, paid to the <i>FSA</i> an amount equal to 50% of the <i>FSA</i> periodic fee payable in respect of the <i>FSA</i> financial year for 2012/2013 are not required to pay any amounts due under rules (1)(a) or (1A)(a). Rules (1)(b) and (1A)(b) will apply to these <i>firms, regulated covered bond issuers, designated professional bodies and recognised investment exchanges</i> as if they had discharged their obligations under rules (1)(a) and (1A)(a).	1 April 2013 until 31 March 2014	1 April 2013
8.2.6 [FCA/ PRA]	<i>FEES</i> 4.3.6R	G	For <i>fee year</i> 2013/2014, invoices containing the total amount of regulatory fees required to be paid to the <i>FCA</i> and, if applicable, the <i>PRA</i> by 30 April 2013 were issued by the <i>FSA</i> prior to 1 April 2013. The amounts contained in those invoices should be treated as the amounts owing to the <i>FCA</i> and <i>PRA</i> under <i>FEES</i> 4.3.6R(1)(a) and (1A)(a).	1 April 2013 until 31 March 2014	1 April 2013

Annex C

Amendments to the Supervision manual (SUP)

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

**16 Annex 18AR Retail Mediation Activities Return (“RMAR”)**

[FCA]

...

SECTION J: data required for calculation of fees

	<del>FSA</del> <u>FCA</u> Annual Regulated Income (£s)	FOS Relevant Annual Income (£s)	FSCS Annual Eligible Income (£s)
Home finance mediation	<del>FEES 4 Annex 1R</del> <u>Part 2 Annex 1AR</u> Part 3 fee-block A18	...	...
Non-investment insurance mediation	<del>FEES 4 Annex 1R</del> <u>Part 2 Annex 1AR</u> Part 3 fee-block A19	...	...
Life and pensions mediation	...	...	...
...			

...

**16 Annex 18BG Notes for completion of the Retail Mediation Activities Return (“RMAR”)**

[FCA]

...

Section J: data required for calculation of fees

...

Data for fees calculations	<i>Firms</i> will need to report data for the purposes of calculation <del>FSA</del> <u>FCA</u> , FOS and FSCS levies
<del>FSA</del> <u>FCA</u>	The relevant information required is the tariff data set out in

	<del>FEES 4 Annex 1R Part 2 Annex 1AR Part 3</del> under fee-blocks A.12, A.13, A.18 and A.19. Note that <i>firms</i> are required to report tariff data information relating to all business falling within fee blocks A.12, A.13, A.18 and A.19 and not simply that relating to retail investments.
...	

...

The *guidance* in the following table sets out the *rules* which relate to the data required in Section J of SUP 16 Annex 18AR.

	<del>FSA</del> <b>FCA</b> Annual Regulated Income (£s)	<b>FOS</b> Relevant Annual Income (£s)	<b>FSCS</b> Annual Eligible Income (£s)
Home finance mediation	<del>FEES 4 Annex 1R Part 2 Annex 1AR Part 3</del> fee-block A18	...	...
Non-investment insurance mediation	<del>FEES 4 Annex 1R Part 2 Annex 1AR Part 3</del> fee-block A19	...	...
Life and pensions mediation	...	...	...
...			

...

**Annex D**

**Amendments to the Credit Unions New sourcebook (CREDS)**

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

**Schedule 3 Fees and other required payments**

...

3.2  
[FCA/  
PRA]

G

Description of fee	Reference
...	
Schedule of periodic fees payable	<del>FEES 4 Annex 2R Part 1</del> <u>FEES 4 Annex 2AR Part 1 and FEES 4 Annex 2BR Part 1</u>
...	

...