

**HANDBOOK SEPARATION (FEES) INSTRUMENT 2016****Powers exercised**

- A. The Financial Conduct Authority makes this instrument in the exercise of:
- (1) the following powers and related provisions in the Financial Services and Markets Act 2000 (“the 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 (Reports by skilled persons)
    - (f) section 166A (Appointment of skilled person to collect and update information)
    - (g) section 213 (The scheme);
    - (h) section 214 (Provisions of the scheme);
    - (i) section 234 (Industry funding);
    - (j) section 333Q (Funding of the FCA’s pensions guidance costs);
    - (k) section 333R (Funding of the Treasury’s pensions guidance costs);
    - (l) paragraph 23 (Fees) of Part 3 (Penalties and Fees) of Schedule 1ZA (The Financial Conduct Authority) of the Act; and
    - (m) 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);
  - (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);
  - (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);

- (5) article 25 (Application of provisions of the Act to the FCA in respect of its supervision of consumer buy-to-let mortgage firms) of the Mortgage Credit Directive Order 2015 (SI 2015/910);
  - (6) regulation 15A (Fees payable to the Financial Conduct Authority) of the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information Regulations) 2015 (SI 2015/542); and
  - (7) the powers in paragraph 9 (Funding) of Schedule 4 (The Payment Systems Regulator) of the Financial Services (Banking Reform) Act 2013.
- B. The rule-making powers listed above are specified for the purpose of section 138G (Rule-making instruments) of the Act.

### **Commencement**

- C. This instrument comes into force on 1 March 2016.

### **Amendments to the Handbook**

- D. The Glossary of definitions is amended in accordance with Annex A to this instrument.
- E. The Fees manual (FEES) is amended in accordance with Annex B to this instrument.

### **Notes**

- F. In Annex B to this instrument, the “notes” (indicated by “**Note:**”) are intended for the convenience of readers but do not form part of the legislative text.

### **Citation**

- G. This instrument may be cited as the Handbook Separation (Fees) Instrument 2016.

By order of the Board  
25 February 2016

**Annex A**

**Amendments to the Glossary of definitions**

In this Annex, striking through indicates deleted text.

*fee year*                    (~~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

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##### Application

1.1.2 R This manual applies in the following way:

- (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.~~

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1.1.2B R *FEES* 1 and 11 apply to a *designated guidance provider*.

1.1.2C R *FEES* 1 and 12 apply to *FOS Ltd*.

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1.1.3A G ~~The rules in *FEES* should be read in conjunction with *GEN* 2.2.23R to *GEN* 2.2.25G. In relation to *FEES*, some rules are made by both the *FCA* and *PRA*. Those rules may contain obligations for or references to *FCA-  
authorised persons* (for example *payment service providers* and *electronic money issuers*) notwithstanding that they also are made by the *PRA* in order to apply them to *PRA-  
authorised persons*. *GEN* 2.2.23R limits the application of those rules so that the *PRA* will only apply them in respect of *PRA-  
authorised persons* and not to such *FCA-  
authorised persons* as are specifically included within the rule. [deleted]~~

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## 2 General Provisions

### 2.1 Introduction

#### Application

2.1.1 R Except to the extent referred to in *FEES* 2.1.1AR, this chapter applies to every *person* who is required to pay a fee or share of a levy to the ~~*appropriate regulator*~~ *FCA*, *FOS Ltd* or *FSCS*, as the case may be, by a

provision of the *Handbook*.

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#### Purpose

- 2.1.4 G The purpose of this chapter is to set out the general provisions applicable to those who are required to pay fees or levies to the ~~appropriate regulator~~ FCA or a share of the *FSCS* levy.

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- 2.1.6 G The ~~appropriate regulator~~ FCA's fees payable will vary from one *fee year* to another, and will reflect the ~~appropriate regulator's~~ FCA's funding requirement for that period and the other key components, as described in *FEES* 2.1.7G. Periodic fees, which will normally be payable on an annual basis, will provide the majority of the funding required to enable the ~~appropriate regulator~~ FCA to undertake its statutory functions.

- 2.1.7 G The key components of the ~~appropriate regulator~~ FCA fee mechanism (excluding the *FSCS* levy, the *FOS* levy and case fees, and the *CFEB* levy which are dealt with in *FEES* 5, *FEES* 6 and *FEES* 7) are:

- (1) a funding requirement derived from:
  - (a) the ~~appropriate regulator's~~ FCA's financial management and reporting framework;
  - (b) the ~~appropriate regulator's~~ FCA's budget; and
  - (c) adjustments for audited variances between budgeted and actual expenditure in the previous accounting year, and reserves movements (in accordance with the ~~appropriate regulator's~~ FCA's reserves policy);
- (2) mechanisms for applying penalties received during previous financial years for the benefit of fee payers;
- (3) fee-blocks, which are broad groupings of fee payers offering similar products and services and presenting broadly similar risks to the ~~appropriate regulator's~~ FCA's regulatory objectives;
- (4) a costing system to allocate an appropriate part of the funding requirement to each fee-block; and
- (5) tariff bases, which, when combined with fee tariffs, allow the calculation of fees.

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- 2.1.9 G By basing fee-blocks on categories of business, the ~~appropriate~~

~~regulator~~ FCA aims to minimise cross-sector subsidies. The membership of the fee-blocks is identified in the *FEES* provisions relating to the type of fees concerned.

- 2.1.9A G *PRA-authorised persons* and *persons* seeking to become *PRA-authorised persons* should note that the *FCA* and the *PRA* have agreed for the *FCA* to act as the *PRA's* collection agent ~~for in relation to the collection of~~ *PRA* fees. Where applicable, both *PRA* and *FCA* fees should be paid as a single payment to the *FCA*, which will receive the payment in its own capacity in respect of *FCA* fees and in its capacity as collection agent for the *PRA* in respect of the *PRA* fees. References to this arrangement will be referred to in *FEES* where applicable.

## 2.2 Late Payments and Recovery of Unpaid Fees

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### Recovery of Fees

- 2.2.3 G ~~Paragraphs~~ Paragraph 23(8) of Schedule 1ZA and paragraphs 31(7) of Schedule 1ZB of the *Act* ~~permit~~ permits the *FCA* and *PRA* respectively to recover fees (including ~~in respect of the~~ *FCA*, fees relating to *payment services*, the issuance of *electronic money*, fees relating to *CBTL firms* and, where relevant, *FOS* levies and *CFEB levies*), and section 213(6) permits the *FSCS* to recover shares of the *FSCS* levy payable, as a debt owed to the *FCA*, ~~*PRA*~~ and *FSCS* respectively, ~~and the~~ The *FCA*, ~~*PRA*~~ and *FSCS*, as relevant, will consider taking action for recovery (including interest) through the civil courts.

[~~Note: For the *PRA* version of this guidance, see this provision as it was on 31 March 2015.~~]

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

## 2.3 Relieving Provisions

### Remission of Fees and levies

- 2.3.1 R If it appears to the ~~appropriate regulator~~ *FCA* or the *FSCS* (in relation to any *FSCS* levy only) that in the exceptional circumstances of a particular case, the payment of any fee, *FSCS* levy, *FOS* levy or *CFEB* levy would be inequitable, the ~~appropriate regulator~~ *FCA* or the *FSCS* as relevant,

may (unless *FEES* 2.3.2BR applies) reduce or remit all or part of the fee or levy in question which would otherwise be payable.

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

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- 2.3.2B R The ~~appropriate regulator~~ FCA or the *FSCS* may not consider a claim under *FEES* 2.3.1R and/or *FEES* 2.3.2R to reduce, remit or refund any overpaid amounts paid by a fee or levy payer in respect of a particular period, due to a mistake of fact or law by the fee or levy payer, if the claim is made by the fee or levy payer more than 2 years after the beginning of the period to which the overpayment relates.

### 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~~.

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##### Purpose

- 3.1.3 G The purpose of this chapter is to set out the ~~appropriate regulator~~ FCA fee paying requirements on the persons set out in *FEES* 1.1.2R(1).

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- 3.1.5 G (1) The rates set for authorisation fees represent an appropriate proportion of the costs of the ~~appropriate regulator~~ FCA in processing the application or exercise of *Treaty rights*.

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- 3.1.6 G Applications for *Part 4A permission* (and exercises of *Treaty rights*) other than in respect of *credit-related regulated activities* are categorised by the ~~appropriate regulator~~ FCA for the purpose of fee raising as straightforward, moderately complex and complex as

identified in *FEES 3 Annex 1*. This differentiation is based on the *permitted activities* sought and does not reflect the ~~appropriate regulator's~~ FCA's risk assessment of the applicant (or *Treaty firm*).

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3.1.7 G A potential applicant for *Part 4A permission* (or *Treaty firm*) has the opportunity to discuss its proposed application (or exercise of *Treaty rights*) with the ~~appropriate regulator~~ FCA before submitting it formally. If an applicant for *Part 4A permission* (or *Treaty firm*) does so, the ~~appropriate regulator~~ FCA will be able to use that dialogue to make an initial assessment of the fee categorisation and therefore indicate the authorisation fee that should be paid.

3.1.8A G Application fees for applications for and variations of *Part 4A permission* in respect of *credit-related regulated activities* are also set out in *FEES 3 Annex 1*. Applications for *Part 4A permission* in respect of *credit-related regulated activities* are categorised by the ~~appropriate regulator~~ FCA for the purposes of fee raising as straightforward, moderately complex and complex as identified in *FEES 3 Annex 1*, unless the application is for a *limited permission*.

[Note: PRA-authorised persons may also pay regulatory transaction fees to the PRA set out in Chapter 4 of the Fees Part of the PRA Rulebook.]

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## 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 *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 for vetting, or request for support relating to compatibility of its systems with ~~appropriate regulator~~ FCA systems, or admission approval made, or notification or notice of exercise of a *Treaty right* given, or other matter is applicable to it, as set out or calculated in accordance with the provisions referred to in column (2) of the appropriate table:

- (1) in full and without deduction; and
- (2) on or before the date given in column (3) of that table.

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Method of payment

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- 3.2.5 G (1) (a) The appropriate authorisation or registration fee is an integral part of an application for, or an application for a variation of, a *Part 4A permission*, authorisation, registration or variation under the *Payment Services Regulations* or the *Electronic Money Regulations*, registration under article 8(1) of the *MCD Order* or notification or registration under the *AIFMD UK regulation*.
- (b) Any application or notification received by the ~~appropriate regulator~~ FCA without the accompanying appropriate fee, in full and without deduction (see *FEES* 3.2.1R), will not be treated as an application or notification made, incomplete or otherwise, in accordance with section 55U(4); or ~~section 55H or 55I (as the case may be)~~, of the *Act* or regulation 5(3) or 12(3) of the *Electronic Money Regulations* or regulation 11(1) and 60(a) of the *AIFMD UK regulation* or article 9 of the *MCD Order*.
- (c) Where this is the case, the ~~appropriate regulator~~ FCA will contact the applicant to point out that the application cannot be progressed until the appropriate fee has been received. In the event that the appropriate fee, in full and without deduction, is not forthcoming, the application will be returned to the applicant and no application will have been made.
- (2) With the exception of *persons* seeking to become a *designated professional body*, all applications, notifications, requests for vetting or admission approval will be treated as incomplete until the relevant fee is fully paid and the ~~appropriate regulator~~ FCA will not consider an application, notification, request for vetting or admission approval until the relevant fee is fully paid. *Persons* seeking to become a *designated professional body* have 30 days after the designation order is made to pay the relevant fee.

...

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

Part 1: Application, notification and vetting fees		
(1) Fee payer	(2) Fee payable (£)	Due date

...	...	...
<p>(oa) Either:</p> <p>(i) a <i>firm</i> applying to the <del>appropriate regulator</del> <u>FCA</u> for permission to use one of the internal approaches listed in <i>FEES 3</i> Annex 6AR (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 <del>appropriate regulator</del> <u>FCA</u> as consolidating supervisor under the <i>EU CRR</i>) any <i>firm</i> making such an application; or</p> <p>(ii) in the case of an application to the consolidating supervisor other than the <del>appropriate regulator</del> <u>FCA</u> for the use of the IRB approach and the consolidating supervisor requesting the <del>appropriate regulator's</del> <u>FCA's</u> assistance in accordance with the <i>EU</i></p>	<p>(1) Unless (2) applies, <i>FEES 3</i> Annex 6A.</p> <p>(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</i> Annex 6AR, but only in respect of that second application.</p> <p>(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 submission requirements.</p> <p>(c) No fee is payable where the consolidating supervisor has requested the assistance described in paragraph (oa)(ii) of column 1 <del>except in the cases specified in</del> <i>FEES 3</i> Annex 6A.</p>	<p>Where the <i>firm</i> has made an application directly to the <del>appropriate regulator</del> <u>FCA</u>, on or before the date the application is made, otherwise within 30 days after the <del>appropriate regulator</del> <u>FCA</u> notifies the <i>firm</i> that its <i>EEA</i> parent's consolidating supervisor has requested assistance.</p>

<p><i>CRR</i>, any <i>firm</i> to which the <i>appropriate regulator FCA</i> would have to apply any decision to permit the use of that approach.</p>		
<p>(p) A <i>firm</i> applying for a variation of its <i>Part 4A permission</i> whose fee is not payable pursuant to sub-paragraph (ga) of this table</p>	<p>(1) Unless (2), (2A), (3), (3A), (3B) or 3(C) applies, if the proposed new business of the <i>firm</i> would fall within one or more activity groups specified in Part 1 of <i>FEES 4 Annex 1AR</i> <del>or Part 1 of <i>FEES 4 Annex 1BR</i></del> 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>(2) Subject to (2A) below, if the <i>firm's</i> application includes an application for a <i>Part 4A permission</i> to carry on a new <i>credit-related regulated activity</i>, the fee is 50% of the highest of the tariffs set out in <i>FEES 3 Annex 1R</i> that would be payable under (1) above or, if higher, 50% of the highest of the tariffs set out in <i>FEES 3 Annex 1R</i> that would be payable in relation to the new <i>credit-related regulated</i></p>	<p>On or before the date the application is made</p>

	<p><i>activity.</i></p> <p>(2A) If an applicant which already has a <i>Part 4A permission</i> to carry on a <i>credit-related regulated activity</i> exclusively applies for a <i>Part 4A permission</i> to carry on a new <i>credit-related regulated activity</i>, that is specified in Part 3 of <i>FEES 3 Annex 1R</i> in the straightforward category (or if it exclusively applies for a number of such <i>permissions</i>), the fee is £250.</p> <p>...</p> <p>(3A) If the applicant had a <i>limited permission</i> prior to the application to vary its <i>Part 4A permission</i>, 100% of the highest of the tariffs set out in <i>FEES 3 Annex 1R</i> which apply to that application.</p> <p>...</p>	
<p>...</p>	<p>...</p>	<p>...</p>
<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</i></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>, <del>9,250 to the PRA and</del></p>	<p>On or before any application is made to the <del>the</del> <i>PRA</i> for the appointment of a person as an <i>independent expert</i>.</p>

<p><i>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>9,250 <del>to the FCA</del>; or  (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 to the FCA</del>.  The amount payable to the <i>PRA</i> above is collected by the <i>FCA</i> as agent of the <i>PRA</i>.</p>	
<p>...</p>	<p>...</p>	<p>...</p>
<p>(zp) A <i>person</i> in respect of which the <i>appropriate regulator FCA</i> has given notice of its intention to itself appoint a <i>skilled person</i> to provide it with a report pursuant to section 166(3)(b) of the <i>Act</i> and <i>SUP</i> 5.2.</p>	<p>Any amount invoiced to the <del><i>appropriate regulator FCA</i></del> by a <i>skilled person</i> in relation to any work carried out by that <i>skilled person</i> in connection with its appointment by the <del><i>appropriate regulator FCA</i></del> pursuant to section 166(3)(b) of the <i>Act</i>.</p>	<p>Within 30 <i>days</i> of the date of the invoice.</p>
<p>(zq) A <i>person</i> in respect of which the <i>appropriate regulator FCA</i> has given notice of its intention to</p>	<p>Any amount invoiced to the <del><i>appropriate regulator FCA</i></del> by a <i>skilled person</i> in relation to any work carried out by that</p>	<p>Within 30 <i>days</i> of the date of the invoice.</p>

itself appoint a <i>skilled person</i> to collect or update information pursuant to section 166A(2)(b) of the <i>Act</i> .	<i>skilled person</i> in connection with its appointment by the <del><i>appropriate regulator</i></del> <i>FCA</i> pursuant to section 166A(2)(b) of the <i>Act</i> .	
...	...	...

### 3 Annex 1R Authorisation fees payable

#### Part 1 - Authorisation fees payable

~~For *PRA-authorised persons* and *persons seeking to become PRA-authorised persons*, the amount payable to the *PRA* is 50% of the amount payable under *Part 1* and the amount payable to the *FCA* is 50% of the amount payable under *Part 1*. The amount payable to the *PRA* above is collected by the *FCA* as agent of the *PRA*.~~

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(a) below. ~~No amount is payable to the *PRA*.~~

For *PRA-authorised persons* and *persons seeking to become PRA-authorised persons*, the amount payable to the *FCA* is the amount payable under Part 1(b).

[**Note:** *PRA-authorised persons* may also pay regulatory transaction fees for new authorisations to the *PRA* as set out in Chapter 4 of the Fees Part of the *PRA*'s Rulebook.]

The ~~table~~ Tables below ~~sets~~ set out the following:

- (1) fees for applications by *credit unions* and *community finance organisations*;
- (2) application fees in respect of the complexity groupings that relate to *regulated activities* that are not *credit-related regulated activities*; and
- (3) application fees in respect of the complexity groupings that relate to *credit-related regulated activities*.

<b><u>Part 1(a) Authorisation Fees payable to the FCA by FCA-<u>authorised persons</u></u></b>	
Application type	Amount payable (£)

(1) <del>Credit unions and community</del> <u>Community</u> finance organisations					
(a) <del>Credit unions</del> registration of a common bond [deleted]		200			
(aa) <del>Credit unions or community</del> <u>Community</u> finance organisations - where application is for a <i>Part 4A permission</i> limited to <i>permission to carry on credit-related regulated activity</i>		200			
(b) <del>Version 1 credit unions</del> authorisation (other than where (aa) applies) [deleted]		300			
(c) <del>Version 2 credit unions</del> authorisation (other than where (aa) applies) [deleted]		1,800			
(2) Complexity groupings not relating to <i>credit-related regulated activities</i> - see Part 2					
(d) Straightforward		1,500 (unless otherwise specified in Part 2)			
(e) Moderately complex		5,000 (unless otherwise specified in Part 2)			
(f) Complex		25,000			
(3) Complexity groupings relating to <i>credit-related regulated activity</i> - see Part 3					
Consumer credit annual income (£)					
		0 – 50,000		>50,000	
(g) <i>Limited permission</i>	100 unless the application is for <i>limited permission</i> as a <i>not-for-profit debt advice body</i> , in which case the amount payable is 0			500 unless the application is for <i>limited permission</i> as a <i>not-for-profit debt advice body</i> , in which case the amount payable is 0	
Consumer credit annual income (£)					
	0 - 50,000	>50,000 - 100,000	>100,000 - 250,000	>250,000 - 1,000,000	>1,000,000

				00	
(h) Straightforward	600	750	1,000	1,500	5,000
(i) Moderately complex	800	1,000	1,500	5,000	10,000
(j) Complex	1,000	1,250	2,000	7,000	15,000

<b><u>Part 1(b) Authorisation Fees payable to the FCA by PRA- authorised persons</u></b>	
<b><u>Application type</u></b>	<b><u>Amount payable (£)</u></b>
<i><u>(1) Credit unions</u></i>	
<i><u>(a) Credit unions – registration of a common bond</u></i>	<u>200</u>
<i><u>(aa) Credit unions where application is for a Part 4A permission limited to permission to carry on credit-related regulated activity</u></i>	<u>100</u>
<i><u>(b) Credit unions which would have been categorised as version 1 credit unions before 3 February 2016 (other than where (aa) applies)</u></i>	<u>150</u>
<i><u>(c) Credit unions which would have been categorised as version 2 credit unions before 3 February 2016 (other than where (aa) applies)</u></i>	<u>900</u>
<i><u>(2) Complexity groupings not relating to credit-related regulated activities - see Part 2</u></i>	
<i><u>(d) Straightforward</u></i>	<u>750 (unless otherwise specified in Part 2)</u>
<i><u>(e) Moderately complex</u></i>	<u>2,500 (unless otherwise specified in Part 2)</u>
<i><u>(f) Complex</u></i>	<u>12,500</u>

<u>(3) Complexity groupings relating to credit-related regulated activity - see Part 3</u>					
	<u>Consumer credit annual income (£)</u>				
	<u>0 - 50,000</u>		<u>&gt; 50,000</u>		
<u>(g) Limited permission</u>	<u>50 unless the application is for limited permission as a not-for-profit debt advice body, in which case the amount payable is 0</u>		<u>250 unless the application is for limited permission as a not-for-profit debt advice body, in which case the amount payable is 0</u>		
	<u>Consumer credit annual income (£)</u>				
	<u>0 - 50,000</u>	<u>≥ 50,000 - 100,000</u>	<u>≥ 100,000 - 250,000</u>	<u>≥ 250,000 - 1,000,000</u>	<u>&gt; 1,000,000</u>
<u>(h) Straightforward</u>	<u>300</u>	<u>375</u>	<u>500</u>	<u>750</u>	<u>2,500</u>
<u>(i) Moderately complex</u>	<u>400</u>	<u>500</u>	<u>750</u>	<u>2,500</u>	<u>5,000</u>
<u>(j) Complex</u>	<u>500</u>	<u>625</u>	<u>1,000</u>	<u>3,500</u>	<u>7,500</u>

...

#### **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 3.2.7 R* and/or *FEES 3.2.7A R* 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 3.2.7 R* and/or *FEES 3.2.7A R* for an applicant for *Part 4A permission*.

#### **Part 5 – Activity Groupings R**

The activity group definitions are set out in *FEES 4 Annex 1A* and

<i>FEES 4 Annex 1B.</i>
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### Part 6 – Change of legal status

An application involving only a simple change of legal status for the purposes of <i>FEES 3.2.7 R</i> , <del><i>FEES 3.2.7A R (a)</i></del> , <i>FEES 3.2.7R (y)</i> , <i>FEES 3.2.7R (za)</i> , <i>FEES 3.2.7 R (zg)</i> and <i>FEES 3.2.7 R (zh)</i> is from an applicant:
--

...

### 3 Annex 6AR

### Fees payable for a permission or guidance on its availability in connection with the EU CRR

#### Part 1

Fees payable in relation to *internal approaches* that require permission under Part Three of the *EU CRR* other than the internal model method for counterparty credit risk.

(1) Subject to (3), for applications made to the ~~*appropriate regulator*~~ *FCA* to authorise a new *internal approach*:

(i) where the application relates to ~~*CRR firms*~~ *IFPRU investment firms* and to five or more significant overseas entities within the same group (Group 1) and the application is for a permission to use one of the internal approaches in Tables 1 or 2 or guidance on the availability of such a permission, the fees in Table 1 are applicable; and

(ii) for all other ~~*CRR firms*~~ *IFPRU investment firms* the fees in Table 2 are applicable.

(2) ~~Subject to (3), for applications made to the consolidating supervisor other than the *appropriate regulator* for a joint decision under article 20 of the *EU CRR* on the use of one of the internal approaches in Tables 1 or 2 and where the *appropriate regulator* is requested to assist the consolidating supervisor, the fees in Table 1 and Table 2 are applicable if the *CRR firm* concerned meets the following conditions:~~

~~(i) it is a *CRD credit institution*; and~~

~~(ii) the *firm* does not fall within Group 4 as defined in Table 2 [deleted]~~

(3) If however the application or request for assistance is in relation to the use of the Advanced IRB approach and the ~~*appropriate regulator*~~ *FCA* (in the case of (1)) ~~or the relevant consolidating~~

supervisor (in the case of (2)) has already granted permission for the use of the Foundation IRB approach then ~~table~~ Table 3 applies.

...

Table 2

Application Group	Description of group		Application fee		
	Modified eligible liabilities (m)	Number of traders as at 31 December prior to the <del>appropriate</del> <i>regulator's FCA's fee year fee year</i> in which the fee is payable	Advanced IRB ('000)	Foundation IRB ('000)	AMA ('000)
Group 2	>40,000	>200	232	198	146
Group 3	>5,000 - 40,000	26 - 200	94	72	51
Group 4	0-5,000	0 - 25	42	30	24

...

Table 3 (Advanced IRB approach where the ~~appropriate regulator or consolidating supervisor~~ *FCA* has already given permission to use Foundation IRB)

Application group	Advanced IRV Application fee
Group 1	67,000
Group 2	58,000
Group 3	23,500

Group 4	10,500
The four application groups have the same meaning as they do in Tables 1 and 2.	

...

### 3 Annex 9R Special Project Fee for restructuring

(1)R	The Special Project Fee for restructuring (the SPFR) is only payable by a <i>person</i> in one of the following categories:	
	(a)	if it is in any of the A fee-blocks (as defined in Part 1 of <i>FEES 4 Annex 1AR</i> <del>in respect of the <i>FCA</i> and Part 1 of <i>FEES 4 Annex 1B</i> in respect of the <i>PRA</i></del> ); or
	...	
	(e)	if it is in any of the B fee-blocks (as defined in Part 1 of <i>FEES 4 Annex 1AR</i> <del>and <i>FEES 4 Annex 1B</i></del> ).
	...	
(4)R	Where the transaction in (2) involves raising capital outside the <i>group</i> to which the <i>firm</i> belongs, any SPFR in relation to that transaction is only payable by the largest <i>firm</i> in that <i>group</i> . The largest <i>firm</i> is the one that pays the highest periodic fee in the <del><i>appropriate regulator</i></del> <i>fee year</i> <del><i>fee year</i></del> in which the bill is raised. For the purpose of the calculation in (9), all time spent and fees and disbursements incurred in relation to the group are added together.	
	...	
(7A) R	<del>The <i>FCA</i> and the <i>PRA</i> will levy separate SPFRs. The use of the term "<i>appropriate regulator</i>" in <i>FEES 3 Annex 9R</i> refers to the regulator levying the SPFR. The <i>FCA</i> will levy its own SPFR separate to any levy issued by the <i>PRA</i> and this may be in relation to the same event or circumstance.</del>	
(8)R	Subject to <i>FEES TP 8.1R</i> , no SPFR is payable to an <del><i>appropriate regulator</i></del> <u>the <i>FCA</i></u> :	
	(a)	if the amount calculated in accordance with (9) in relation to the regulatory work conducted by the <del><i>appropriate regulator</i></del> <u><i>FCA</i></u> totals less than £50,000; or
	(b)	for time spent giving <i>guidance</i> to the <i>person</i> in relation to the same matter if the <del><i>appropriate regulator</i></del> <u><i>FCA</i></u> has charged that <i>person</i> for that <i>guidance</i> .

(9)R	The SPFR for the <i>appropriate regulator FCA</i> is calculated as follows:	
	(a)	Determine the number of hours, or part of an hour, taken by the <i>appropriate regulator FCA</i> , or, if applicable, both the <i>FCA</i> and <i>PRA</i> under <i>FEES</i> TP 8.1R, in relation to regulatory work conducted as a consequence of the activities referred to in (2) or (6).
	(b)	Next, multiply the applicable rate in the table at (11) by the number of hours or part hours obtained under (a).
	(c)	Then add any fees and disbursements invoiced to the <i>appropriate regulator FCA</i> by any <i>person</i> in respect of services performed by that <i>person</i> for the <i>appropriate regulator FCA</i> in relation to assisting the <i>appropriate regulator FCA</i> in performing the regulatory work referred to in (a).
	(d)	The resulting figure is the fee.
	(e)	The number of hours or part hours referred to in (a) are the number of hours or part hours as recorded on the <i>appropriate regulator's FCA's</i> systems in relation to the regulatory work referred to in (a).
(10)R	The first column in the table at (11) sets out the relevant pay grades of those employed by the <i>appropriate regulator FCA</i> and the second column sets out the hourly rates chargeable in respect of those pay grades.	
(11)R	Table of <i>FCA</i> hourly rates:	
	FCA pay grade	Hourly rate (£)
	...	
(11)A)AR	Table of <i>PRA</i> hourly rates: [deleted]	
	PRA pay grade	Hourly rate (£)
	Administrator	30
	Associate	60
	Technical Specialist	90

	Manager	115
	Any other person employed by the PRA	170
(12) G	The obligation to pay the SPFR is ongoing. Accordingly, there is no limitation on the number of times that the <i>appropriate regulator FCA</i> may invoice a <i>person</i> for the SPFR in relation to the same events or circumstances referred to in (2) or (6). If the <i>appropriate regulator FCA</i> does so, there is a single floor under (8)(a) and not a separate one for each instalment. Therefore, for example, if a <i>person</i> is subject to an administration order, the <i>appropriate regulator FCA</i> may invoice the <i>person</i> on a periodic basis for all the related regulatory work, but may only do so once the total fee (including disbursements) equals 50,000.	

...

### 3 Annex 11G

#### Guidance on fees due under FEES 3.2.7R and ~~FEES 3.2.7AR~~

- G 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 *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> <del>and/or <i>FEES 3.2.7AR(e)</i></del> . However, it may also be liable to pay the Special Project Fee for restructuring set out in <i>FEES 3.2.7R(ze)</i> <del>and/or <i>FEES 3.2.7AR(d)</i></del> , calculated in accordance with <i>FEES 3 Annex 9</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> .
(2)	Where the situation described in (1) arises, the <i>appropriate regulator FCA</i> will consider whether to reduce or remit a fee under <i>FEES 2.3</i> (Relieving Provisions).

## 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 11BR. *FEES* 4 Annex 12G and ~~(for the FCA only)~~ *FEES* 4 Annex 13G provide guidance on the calculation of certain tariffs. Most of the provisions of the Annexes will vary from one *fee year* to another. Accordingly fresh *FEES* 4 Annexes will come into force, following consultation, for each *fee year*.

...

### 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 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.

...

- 4.2.3 G The *FCA* will issue invoices ~~in respect of the *FCA* and *PRA*, to *firms* and other fee payers and expects to do so~~ at least 30 *days* before the dates on which payments fall due under *FEES* 4.2.1R.

...

Modifications for persons becoming subject to periodic fees during the

course of the fee year

- 4.2.6 R (1) For the *fee year* during which the event 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, the periodic fee required under *FEES 4.2.1R* is modified for:
- (a) *firms* (other than *AIFM qualifiers*, *ICVCs* and *UCITS qualifiers*) in accordance with *FEES 4.2.7R* and *FEES 4.2.8R*;
- (b) all other fee payers in column (1) of the table in *FEES 4.2.11R* ~~or *FEES 4.2.11AR*~~, in accordance with the formula set out below.

Formula for the calculation of fees payable under <i>FEES 4.2.6R(1)</i>		
(1)	calculate the number of calendar months between and including:	
	(i)	the calendar month in which the event described in column 4 of the table in <i>FEES 4.2.11R</i> <del>and/or <i>FEES 4.2.11AR</i></del> occurred; and
	(ii)	...
...		

- 4.2.7 R A *firm* (other than an *AIFM qualifier*, *ICVC* or *UCITS qualifier*) which becomes authorised or registered, or whose *permission* and/or *payment service* activities are extended, during the course of the *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 2AR*, ~~Part 1 of *FEES 4 Annex 2BR*~~ and/or Part 1 of *FEES 4 Annex 11* as appropriate for the relevant *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*;
- (2) calculating the amount for each of the applicable tariffs which is the higher of:
- (a) any applicable minimum fee specified in relation to 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 fees set out under Part 2 of *FEES 4 Annex 2AR* ~~and Part 2 of *FEES 4 Annex 2BR*~~); and

- (b) the result of applying the tariff to the projected valuation, for its first year (as provided in the course of the *firm's* application), of the business to which the tariff relates;
- (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 an A.0 ~~or a PA.0~~ minimum fee is payable under Part 2 of ~~FEES 4 Annex 2AR or Part 2 of FEES 4 Annex 2BR~~ (except 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;~~  
[deleted]
- (5) adding together the amounts calculated under (3), (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~~ in accordance with the formula set out in *FEES 4.2.6R* (except that *FEES 4 Annex 10R* (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 *fee year* and *FEES 4.2.6R* does not apply).

...

- 4.2.7B R (1) This *rule* deals with the calculation of:
- (a) a *firm's* fees for its second and subsequent *fee year*. These are the *fee years* ~~years~~ following the *fee year* in which it was given *permission* and/or was authorised or registered under the *Payment Services Regulations* or the *Electronic Money Regulations* or had its *permission* and/or *payment services* activities extended (the relevant permissions); and
  - (b) ...
- (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

*fee year* can be calculated using data from a complete period (as specified in 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.

...

...

(5) ...

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

#### Application of FEES 4.2.7BR

- 4.2.7C G The table below sets out the period within which a *firm's* tariff base is calculated (the data period) for second year fees calculated under *FEES 4.2.7BR*. The example is based on a *firm* that acquires *permission* on 1 November 2009 and has a financial year ending 31 March. Where valuation dates fall before the *firm* receives *permission* it should use projected valuations in calculating its fees.

References in this table to dates or months are references to the latest one occurring before the start of the ~~appropriate regulator's~~ *FCA's fee year* unless otherwise stated.

...

...

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

- 4.2.9 G The ~~appropriate regulator~~ *FCA* will not refund periodic fees if, after the start of the period to which they relate:
- (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

...

#### Extension of Time

- 4.2.10 R A *person* need not pay a periodic fee on the date on which it is due under the relevant provision in *FEES 4.2.1R*, if:

...

- (2) unless *FEES* 4.3.6R(3), *FEES* 4.3.6R(4) or *FEES* 4.3.6R(4A) (Time and method for payment) applies, that date would otherwise fall on or before the 30th *day* after the date on which the *FCA* (in its own capacity or in its capacity as collection agent for the *PRA*) has sent written notification to that *person* of the fee payable on that date, in which case he must pay on or before the 30th *day* after the date on which the *FCA* sends the notification.

...

#### 4.3 Periodic fee payable by firms (other than AIFM qualifiers, ICVCs and UCITS qualifiers)

- 4.3.1 R The periodic fee payable by a *firm* (except an *AIFM* *qualifier*, *ICVC* or a *UCITS* *qualifier*) is:

...

- (2) any deductions from the periodic fee specified in Part 2 of *FEES* 4 Annex 2AR, ~~*FEES* 4 Annex 2BR~~ or Part 7 of *FEES* 4 Annex 11R.

- 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 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 *FEES* 4 Annex 12G and ~~(for the *FCA* only) *FEES* 4 Annex 13G~~), while *FEES* 4 Annex 2AR ~~in respect of the *FCA* and *FEES* 4 Annex 2BR in respect of the *PRA*~~ set sets out the tariff rates for the relevant *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.

...

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:

- (1) identify each of the tariffs set out in Part 1 of *FEES* 4 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;

...

- (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 an A.0, or CC.0 ~~or a PA.0~~ minimum fee is payable under Part 2 of FEES 4 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);

...

- (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; [deleted]~~
- (5) add together the amounts calculated under (3), (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
- (6) apply any applicable payment charge specified in FEES 4.2.4R, provided that:
- (a) for payment by direct debit, successful collection of the amount due is made at the first attempt by the FCA (in its own capacity and, if applicable, in its capacity as collection agent for the PRA); or
  - (b) for payment by credit transfer, the amount due is received by the FCA (in its own capacity and, if applicable, in its capacity as collection agent for the PRA) on or before the due date.

...

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 2AR ~~and FEES 4 Annex 2BR.~~

...

Time of payment

- 4.3.6 R (1) ~~Subject to FEES TP 8, if the firm's, designated professional body's, recognised investment exchange's, or regulated covered bond issuer's periodic fee for the previous fee year was at least~~

£50,000, it must pay the *FCA*:

- (a) an amount equal to 50% of the *FCA* periodic fee payable for the previous *fee year*, by 30 April or, if later, within 30 days of the date of the invoice, in the *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 *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. [deleted]
- (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. [deleted]
- (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. [deleted]
- (1C) If a person meets either of the conditions in (1D) it must pay the *FCA* the fee in (1E).
- (1D) A person meets the conditions referred to in (1C) if:
- (a) its periodic fee for the previous *fee year* was at least £50,000 and it is:
    - (i) an *FCA*-authorised person; or
    - (ii) a designated professional body; or
    - (iii) a recognised investment exchange; or
    - (iv) a regulated covered bond issuer; or
  - (b) it is a *PRA*-authorised person and its combined *FCA* and *PRA* periodic fees for the previous *fee year* were at least £50,000.
- (1E) The fee in (1C) is:

- (a) an amount equal to 50% of the FCA periodic fee payable for the previous fee year by:
  - (i) 30 April; or
  - (ii) if later, within 30 days of the date of the invoice, in the 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 fee year by:
  - (i) 1 September; or
  - (ii) if later, within 30 days of the date of the invoice, in the fee year to which that sum relates.

[Note: If the firm is a PRA-*authorised person* that meets the condition at FEES 4.3.6R(1)(D)(b), the firm will also pay its PRA periodic fees in two tranches as specified in the Fees Part of the PRA Rulebook. The FCA, acting as the PRA's collection agent, will collect these fees.]

...

- (4) If the ~~appropriate regulator~~ FCA has exercised its *own-initiative powers* to cancel a *firm's Part 4A permission*, then (1) and (2) do not apply but the *firm* must pay the total amount due immediately before the cancellation becomes effective.

...

- (5A) ~~(In relation to PRA-*authorised persons* only) paragraphs (1A) and (2) do not apply to any Solvency 2 Special Project fee or Solvency 2 Implementation fee (as defined in FEES 4 Annex 2B) and such fees are not taken into account for the purposes of the split in (1A). Instead any Solvency 2 Special Project fee or Solvency 2 Implementation fee is payable on the date specified in (1A)(b) or (2) (depending on which applies to the rest of its periodic fee) or any earlier date required by (3) or (4). [deleted]~~

...

#### Groups of firms

- 4.3.7 R A *firm* which is a member of a *group* may pay all of the amounts due from other *firms* in the same *group* under FEES 4.2.1R, if:
- (1) it notifies the *FCA* (in its own capacity and, if applicable, in its capacity as collection agent for the *PRA*) in writing of the name of each other *firm* within the *group* for which it will pay; and

- (2) it pays the fees, in accordance with this chapter, as a single amount as if that were the amount required from the *firm* under *FEES* 4.2.1R.

...

- 4.3.9 G If the payment made does not satisfy in full the periodic fees payable by all of the members of the *group* notified to the *FCA* under *FEES* 4.3.7R, the *FCA* (in its own capacity and, if applicable, in its capacity as collection agent for the *PRA*) will apply the sum received among the *firms* which have been identified in the notification given under *FEES* 4.3.7R(1) in proportion to the amounts due from them. Each *firm* will remain responsible for the payment of the outstanding balance attributable to it.
- 4.3.10 G If a *firm* pays its fees through an agent outside the scope of *FEES* 4.3.7R, the *firm* is responsible for ensuring that the *FCA* (in its own capacity and, if applicable, in its capacity as collection agent for the *PRA*) is informed that the sum being paid is for that *firm's* periodic fees.

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

- 4.3.11 G (1) The ~~appropriate regulator~~ *FCA* recognises that its responsibilities in respect of an *incoming EEA firm*, an *incoming Treaty firm*, an *EEA authorised payment institution* or an *EEA authorised electronic money institution* are reduced compared with a *firm* which is incorporated in the *United Kingdom*.
- (2) Accordingly the periodic fees which would otherwise be applicable to *incoming EEA firms*, *incoming Treaty firms*, *EEA authorised payment institutions* and *EEA authorised electronic money institutions* are reduced.
- 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:
- (1) the tariffs set out in 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 2AR ~~and, if applicable, Part 3 of *FEES* 4 Annex 2BR~~.

...

Firms Applying to Cancel or Vary Permission Before Start of Period

...

- 4.3.14 G Where a *firm* has applied to cancel its *Part 4A permission*, or its authorisation or registration under the *Payment Services Regulations* or the *Electronic Money Regulations*, or the ~~appropriate regulator~~ *FCA* has exercised its *own-initiative powers* to cancel a *firm's Part 4A permission* or the ~~appropriate regulator~~ *FCA* has exercised its powers under regulation 10 (Cancellation of authorisation), including as applied by regulation 14 (Supplementary provisions) of the *Payment Services Regulations* to cancel a *firm's* authorisation or registration under the *Payment Services Regulations* or the ~~appropriate regulator~~ *FCA* has exercised its powers under regulation 10 (Cancellation of authorisation), including as applied by regulation 15 (Supplementary provisions) of the *Electronic Money Regulations*, , the due dates for payment of periodic fees are modified by *FEES 4.3.6R(3)*, *FEES 4.3.6R(4)* and *FEES 4.3.6R(4A)* respectively.

...

Firms acquiring businesses from other firms

- 4.3.15 R ...
- (3) If the acquisition occurs after the valuation date applicable to the business (as set out in *FEES 4 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 relevant valuation date.

#### 4.4 Information on which ~~Fees~~ fees are calculated

- 4.4.1 R A *firm* (other than the *Society* and an *MTF* operator in relation to its *MTF* business) must notify to the *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 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 *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 5 of *FEES 4 Annex 1AR* in relation of 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).~~

- 4.4.3 R To the extent that a *firm* has provided the information required by this section ~~to the appropriate regulator~~ as part of its compliance with another provision of the *Handbook*, it is deemed to have complied with the provisions of this section.
- 4.4.4 G In most cases a *firm* will provide the information required by this section as part of its compliance with the provisions of *SUP*. To the extent that the *FCA* ~~(in its own capacity and, if applicable, in its capacity as collection agent for the PRA)~~, does not obtain sufficient, or sufficiently detailed, information ~~the FCA or the PRA, as appropriate,~~ it may seek this by using the general information gathering powers (see *SUP* 2 (Information gathering by the ~~appropriate regulator~~ FCA or PRA on its own initiative)).

...

Amend the following as shown.

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

...

Part 3
...

Activity group	Tariff base
...	
<b>A.3</b>	<p><b>For insurers:</b></p> <p>The amount of <i>premium</i> receivable which must be included in the documents required to be deposited under <del><i>IPRU(INS)</i></del> <u>IPRU(INS)</u> (as defined in the Fees Part of the <i>PRA</i> Rulebook) 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 waiver or an order under section 68 of the Insurance Companies Act 1982 carried forward as an amendment to <del><i>IPRU(INS)</i></del> <u>IPRU(INS)</u> (as defined in the Fees Part of the <i>PRA</i> Rulebook) under transitional provisions relating to written concessions in <i>SUP</i>;</p>

	<p><b>AND</b> the amount of gross technical liabilities (<del>IPRU(INS)</del> <u>IPRU(INS)</u> (as defined in the Fees Part of the <i>PRA</i> Rulebook) Appendix 9.1 - Form 15, line 19) which must be included in the documents required to be deposited under FUND 3.4.8G <del>IPRU(INS)</del> <u>IPRU(INS)</u> (as defined in the Fees Part of the <i>PRA</i> Rulebook) 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 <del>IPRU(INS)</del> <u>IPRU(INS)</u> (as defined in the Fees Part of the <i>PRA</i> Rulebook) under transitional provisions relating to written concessions in <i>SUP</i>.</p>
<b>A.4</b>	...
	<p><b>AND</b> the amount of mathematical reserves (<del>IPRU(INS)</del> <u>IPRU (INS)</u> (as defined in the Fees Part of the <i>PRA</i> Rulebook) Appendix 9.1R – Form 14-, Line 11-) which must be included in the documents required to be deposited under <del>IPRU(INS)</del> <u>IPRU (INS)</u> (as defined in the Fees Part of the <i>PRA</i> Rulebook) 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 <del>IPRU(INS)</del> <u>IPRU (INS)</u> (as defined in the Fees Part of the <i>PRA</i> Rulebook) under transitional provisions relating to written concessions in <i>SUP</i>;</p> <p>...</p>

Delete FEES 4 Annex 1BR (PRA activity groups, tariff bases and valuation dates) in its entirety. The deleted text is not shown.

**4 Annex FCA Fee rates and EEA/Treaty firm modifications for the period**  
**2AR from 1 April 2015 to 31 March 2016**

...

## Part 2

~~This table shows~~ The tables below show the tariff rates (minimum fees) applicable to each of the fee blocks set out in Part 2 of *FEES 4 Annex 1AR*.

Part 2(a) shows the tariff rates (minimum fees) payable to the FCA by FCA-*authorised persons* and Part 2(b) shows the tariff rates (minimum fees) payable to the FCA by PRA-*authorised persons*.

[Note: PRA-*authorised persons* will also pay minimum fees to the PRA as set out in Chapter 3 of the Fees Part of the PRA Rulebook.]

**Part 2(a) tariff rates (minimum fees) payable to the FCA by FCA-*authorised persons***

A.0	(1)	£1,084 <del>unless:</del>	
		(a)	<del>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);</del>
		(b)	<del>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 £466; or</del>
		(c)	<del>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 £466; or</del>
		(d)	<del>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 £466.</del>
	(2)	The conditions referred to in (1)(a) are that the <i>credit union</i> has a tariff base (Modified Eligible Liabilities) of:	
		(a)	<del>0 to 0.5million, in which case a minimum fee of £172 is payable; or</del>
		(b)	<del>greater than 0.5million but less than 2.0million, in which case a minimum fee of £584 is payable.</del> [deleted]

	(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. [deleted]
	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. [deleted]		
	(4)	For <i>PRA authorised persons</i> , the minimum fee is 50% of any fee stated in (1) or (2) above. [deleted]	
AP. 0	Periodic fees payable under fee blocks A.2, A.7 to A.19 and A. 21 in Part 1 multiplied by rate £0.116		

**Part 2(b) tariff rates (minimum fees) payable to the FCA by PRA-  
authorised persons**

A.0	(1)	£542 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 £233; 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 £233; 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 £233.
	(2)	The conditions referred to in (1)(a) are that the <i>credit union</i>	

		<u>has a tariff base (Modified Eligible Liabilities) of:</u>	
	(a)	<u>0 to 0.5million, in which case a minimum fee of £86 is payable; or</u>	
	(b)	<u>greater than 0.5million but less than 2.0million, in which case a minimum fee of £292 is payable.</u>	
	(3)	<u>The conditions referred to in (1) are that:</u>	
	(a)	<u>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;</u>	
	(b)	<u>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.</u>	
		<u>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.</u>	

...

**4 Annex 12G Guidance on the calculation of tariffs set out in FEES 4 Annex 1AR Part 3 and ~~FEES 4 Annex 1BR Part 3~~**

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