

**FEES (MISCELLANEOUS AMENDMENTS) INSTRUMENT 2009**

**Powers exercised**

- A. The Financial Services Authority makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 99(1), (1B) and (2) (Fees);
  - (2) section 101 (Part 6 rules: general provisions);
  - (3) section 156 (General supplementary powers);
  - (4) section 157(1) (Guidance);
  - (5) section 213 (The compensation scheme);
  - (6) section 223 (Management expenses);
  - (7) section 234 (Industry funding);
  - (8) paragraph 17(1) (Fees) of Schedule 1 (The Financial Services Authority); and
  - (9) paragraph 1 (General), 4 (Rules) and 7 (Fees) of Schedule 7 (The Authority as Competent Authority for Part VI).
- B. The rule-making powers listed above are specified for the purposes of section 153(2) (Rule-making instruments) of the Act.

**Commencement**

- C. This instrument comes into force as follows:
- (1) Part 1 of the Annex comes into force on 30 March 2009;
  - (2) the remainder of this instrument comes into force on 1 April 2009.

**Amendments to the Handbook**

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

**Citation**

- E. This instrument may be cited as the Fees (Miscellaneous Amendments) Instrument 2009.

By order of the Board  
26 March 2009

## Annex

## Amendments to the Fees manual (FEES)

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

## Part 1: Comes into force on 30 March 2009

...

TP 3 ...

TP 4 Transitional provisions relating to information requirements following changes to FEES 4 or 5

4.1 Effect of changes to FEES 4 or 5 in relation to the supply of information to the FSA

4.1.1 R This rule applies where any rule, or amendment to a rule, in FEES 4 or FEES 5 (“a FEES rule”) has been made but will only come into force in relation to a future financial year of the FSA or Financial Ombudsman Service (“the future year”), as the case may be.

4.1.2 R Unless another rule expressly disapplies this rule, a FEES rule has immediate effect for the supply of information under FEES 4.4 or FEES 5.4 in relation to that future year.

4.1.3 R A reference in this rule to an FSA or Financial Ombudsman Service financial year is a reference to the 12 months ending 31 March.

**Part 2: Comes into force on 1 April 2009**

...

## Application

1.1.2 R This manual applies in the following way:

- (1) *FEES* 1, 2 and 3 apply to:
- (a) ...
  - (n) every *firm* applying for variation of its *Part IV permission*; ~~and~~
  - (o) every *firm* applying for or being concerned in an application for permission to use an *advanced prudential calculation approach* or *guidance* on the availability of such a *permission* (including any future proposed amendments to those approaches); and
  - (p) every *firm* or *person* referred to in category (u) of Column 1 of *FEES* 3.2.7R.

...

**2.4      VAT**

2.4.1      R      All fees payable or any stated hourly rate under *FEES* 3 (Application, notification and vetting fees) and *FEES* 4 (Periodic fees) are stated net of VAT. Where VAT is applicable this must also be included.

...

## General

3.2.1 R A *person* in column (1) of the table in *FEES* 3.2.7R as the relevant fee payer for a particular activity must pay to the *FSA* a fee for each application or request for vetting, or request for support relating to compatibility of its systems with *FSA* systems, or admission approval made, or notification or notice of exercise of a *Treaty right* given, as is applicable to it, as set out or calculated in accordance with the provisions referred to in column (2) of that table:

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

...

## 3.2.7 R Table of application, notification and vetting fees

(1) Fee payer	(2) fee payable	Due date
...		
(l) Under the <i>listing rules</i> , an <i>issuer</i> involved in specific events or transactions during the year where documentation is subject to a transaction vetting	<i>FEES</i> 3 Annex 5R, part 1, unless the transaction would come within the definition of significant transaction under category (v) or <u>super transaction under category (q)</u> in this table, in which case the fee payable under that category.	...
(m) Under the <i>prospectus rules</i> , an <i>issuer</i> or <i>person</i> requesting approval or vetting of the documents arising in relation to specific events or transactions that it might be involved in during the year	<i>FEES</i> 3 Annex 5 R, part 2 unless the transaction would come within the definition of significant transaction under category (v) or <u>super transaction under category (q)</u> in this table, in which case the fee payable under that category.	...
...		

<p>(q) A <del>significant</del> <u>super</u> transaction, being one where:</p> <p>(i) the <i>issuer</i> has a market capitalisation in excess of £1.5 billion and it is a new applicant for a <i>primary listing</i> under the <i>listing rules</i>, or involved in a reverse or hostile takeover or a significant restructuring; or</p> <p>(ii) the <i>issuer</i> has a market capitalisation in excess of £5 billion and is involved in a <i>class 1 transaction</i>, <del>or</del> a transaction requiring vetting of an equity <i>prospectus</i> or equivalent document or <u>a transaction requiring vetting of a <i>prospectus</i> in relation to a <u>Depository Receipt</u></u>; <del>or</del></p> <p>(iii) <del>the <i>issuer</i> is proposing a Depository Receipt issue intended to raise more than £5 billion.</del></p>	£50,000	On or before the date that the relevant documentation is first submitted to the <i>FSA</i> .
...		
<p><u>(u) Any of the following:</u></p> <p><u>(i) an operator of an <i>approved reporting mechanism</i>;</u></p> <p><u>(ii) a <i>firm</i>;</u></p> <p><u>(iii) a third party acting on behalf of a <i>firm</i>;</u></p> <p><u>(iv) a <i>market operator</i>;</u> <u>or</u></p>	As set out in <u><i>FEES 3 Annex 7R</i></u> .	<u>Within 30 days of the date of the invoice.</u>

<p><u>(v) an MTF operator;</u></p> <p><u>that satisfies the following conditions:</u></p> <p><u>(1) it provides transaction reports directly to the FSA; and</u></p> <p><u>(2) having made changes to its reporting systems, it asks the FSA to support the testing of the compatibility of its systems with the FSA's systems.</u></p>		
<p><u>(v) A significant transaction, being one where:</u></p> <p><u>(i) the issuer has a market capitalisation in excess of £500 million and is producing an equity prospectus, a prospectus in relation to a Depository Receipt or a document in relation to a class 1 transaction; or</u></p> <p><u>(ii) the issuer is producing a document for vetting in relation to a reverse takeover, a hostile takeover or a significant restructuring.</u></p> <p><u>A significant transaction does not include a super transaction.</u></p>	<p><u>£20,000</u></p>	<p><u>On or before the date that the relevant documentation is first submitted to the FSA.</u></p>

<p><u>(w) A listed issuer that requests or whose representative requests the FSA to amend the Official List, or any records held by the FSA in relation to the Official List, otherwise than pursuant to an application for listing.</u></p>	<p><u>FEES 3 Annex 4R part 3</u></p>	<p><u>On or before the date the request is made.</u></p>
<p><u>(x)</u></p> <p><u>(i) An issuer or person who:</u></p> <p><u>(1) is a fee payer under one or more of the categories set out in (ii); and</u></p> <p><u>(2) requests the FSA's approval or vetting of a document that includes a mineral expert's report.</u></p> <p><u>(ii) The categories are (1), (m) (q), and (v) of this table.</u></p> <p><u>(iii) A fee under this category is payable in addition to any fee payable under the categories set out in (ii).</u></p>	<p><u>£5,000</u></p>	<p><u>On or before the date the relevant documentation is first submitted to the FSA.</u></p>

...

**3 Annex 1R Authorisation fees payable**

...

Part 2 – Complexity Groupings Straightforward Cases R

...

Complex Cases R

Complex Cases	
Activity Grouping	Description
...	
A.4	...
<u>B</u>	<u>MTF operators</u>

...

### 3 Annex 4R Application and administration fees in relation to listing rules

Part 1

...

Part 3

<u>Fee type</u>	<u>Fee amount</u>
<u>Administration fee where the FSA makes amendments to the Official List, or any records held by the FSA in relation to the Official List, as a result of a request made by a listed issuer or its representative.</u>	<u>£225 plus, if the request relates to more than one issue of securities, £100 per each additional issue of securities (with its own International Securities Identification Number).</u>

### 3 Annex 5R Document vetting and approval fees in relation to listing and prospectus rules

...

Part 2

These fees relate to approval or vetting of the documents referred to in the second column of this table arising in relation to specific events or transactions that an *issuer, offeror* or *person* requesting admission might be involved in during the year.

...

...



Certain transactions may come within the category of super or significant transactions and thus attract a higher fee as set out in FEES 3.2.7R(q) and 3.2.7R(v).

...

**3 Annex 7R Fees where changes are made to firms' transaction reporting systems and the FSA is asked to check that these systems remain compatible with FSA systems**

<u>Hourly rate (£)</u>	<u>Method of calculating fee</u>
<u>68.09</u>	<p><u>The fee is calculated as follows:</u></p> <p><u>(1) Determine the number of hours, or part of an hour, taken by the FSA (or any person acting on behalf of the FSA) to test the fee payer's transaction reporting systems for compatibility with the relevant FSA systems.</u></p> <p><u>2) Then multiply the figure in the first column by the number of hours or part hours obtained under (1). The resulting figure is the fee.</u></p> <p><u>(3) The number of hours or part hours referred to in (1) shall be the number of hours or part hours as recorded on the FSA's systems.</u></p>

...

4.2.7 R A firm (other than an *ICVC* or *UCITS qualifier*) which becomes authorised, or whose *permission* is extended, during the course of the financial year must pay a fee which is calculated by:

...

- (4) modifying the result as indicated by the table 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 financial 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 the FSA financial year following the FSA financial year in which the firm obtained permission or had its permission extended ("the second financial year"); and
  - (b)     the tariff base for the fee block or fee blocks that relate to that permission or extension, as the case may be.
- (2)     Unless this rule says otherwise, the tariff base for a firm's second financial year is calculated using projected valuations for its second year (as provided to the FSA in the course of the firm's application), of the business to which the tariff relates.
- (3)     This rule does not apply to a firm with a permission for operating a multilateral trading facility.
- (4)     A reference to the FSA financial year means the 12 months ending with 31 March.
- (5)     The rest of this rule only applies to a firm that becomes authorised, or extends its permission, on or after 1 April 2009.
- (a)     If a firm's tariff base is calculated using data from a period that begins on or after the date that the firm receives its permission or extension of permission, as the case may be, the firm must use that data.
  - (b)     Unless (a) applies, if a firm:
    - (i)     receives its permission or extension of permission, as the case may be, between 1 April and 31 December inclusive; and
    - (ii)    is, but for this rule, required to calculate its tariff base by reference to the average of its modified eligible liabilities for October, November and December;

it must calculate that tariff base as at the December before the start of the FSA financial year.
  - (c)     If a firm satisfies the following conditions it must calculate its tariff base under (d):
    - (i)     the firm receives its permission or extension of permission, as the case may be, between 1 April and 31 December inclusive; and

- (ii) the firm's tariff base, but for this rule, is calculated by reference to the firm's financial year ended in the calendar year ending 31 December prior to the FSA financial year or the twelve months ending 31 December prior to the FSA financial year.
- (d) If a firm satisfies the conditions in (c) it must calculate its tariff base as follows:
- (i) it must use actual data in relation to the business to which the tariff relates rather than projected valuations;
- (ii) the tariff is calculated by reference to the period beginning on the date it acquired permission, or had its permission extended, and ending on the 31 December before the start of the FSA financial year; and
- (iii) the figures are annualised by increasing them by the same proportion as the period of 12 months bears to the period starting from when the firm received its permission or extension to the 31 December, as the case may be.
- (e) Where a firm is required to use the method in (d) it must notify the FSA of this by the date specified in FEES 4.4 (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 is modified in relation to the calculation of that firm's valuation date in its second financial year.

#### 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 FSA's financial year unless otherwise stated.

<u>Type of permission acquired on 1</u>	<u>Tariff base</u>	<u>Valuation date but for</u>	<u>Data period under FEES 4.2.7BR</u>
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<u>November</u>		<u>FEES</u> <u>4.2.7BR</u>	
<u>Accepting deposits</u> <u>(monthly reporting</u> <u>firms)</u>	<u>Modified</u> <u>eligible</u> <u>liabilities</u> <u>(MELs)</u>	<u>Average of</u> <u>the MELs for</u> <u>October,</u> <u>November,</u> <u>December –</u> <u>so projected</u> <u>valuations</u> <u>will be used</u>	<u>MELs for</u> <u>December 2009.</u>
<u>Accepting deposits</u> <u>(quarterly reporting</u> <u>firms)</u>	<u>MELs</u>	<u>December</u> <u>2009</u>	<u>December 2009.</u>
<u>Entering into a home</u> <u>finance transaction</u>	<u>Number of</u> <u>mortgages,</u> <u>home</u> <u>purchase</u> <u>plans or</u> <u>home</u> <u>reversion</u> <u>plans entered</u> <u>into</u>	<u>12 months</u> <u>ending 31</u> <u>December</u> <u>2009 – so</u> <u>projected</u> <u>valuations</u> <u>will be used</u>	<u>1 November to 31</u> <u>December 2009.</u>
<u>Effecting contracts</u> <u>of insurance</u>  <u>(Insurers – general)</u>	<u>Gross</u> <u>premium</u> <u>income and</u> <u>gross</u> <u>technical</u> <u>liabilities</u>	<u>31 March</u> <u>2009 – so</u> <u>projected</u> <u>valuations</u> <u>will be used</u>	<u>1 November to 31</u> <u>December 2009.</u>

...

4.2.11 R Table of periodic fees

1 Fee payer	2 Fee payable	3 Due date	4 Events occurring during the period leading to modified periodic fees

Any <i>firm</i> (except an <i>ICVC</i> or a <i>UCITS</i> qualifier)	As specified in <i>FEES</i> 4.3.1R	<p>(1) Unless (2) <del>applies or</del> (3) <del>apply</del>, on or before the relevant dates specified in <i>FEES</i> 4.3.6R</p> <p>(2) <del>If</del> <u>Unless</u> (3) <u>applies, if</u> an event specified in column 4 occurs during the course of a financial year, 30 <i>days</i> after the occurring of that event, or if later the dates specified in <i>FEES</i> 4.3.6R.</p> <p>(3) <u>Where the <i>permission</i> is for <i>operating a multilateral trading facility</i>, the date specified in <i>FEES</i> 4 Annex 10R (Periodic fees for MTF operators).</u></p>	<p><i>Firm</i> receives <i>permission</i>; or</p> <p><i>Firm</i> extends <i>permission</i></p>
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...

Modifications for firms with new or extended permissions

4.3.4 G ...

- (4) These provisions do not apply to a *firm's* periodic fees in relation to its *permission* for *operating a multilateral trading facility* obtained from the *FSA* during the course of a financial year.

...

Time of Payment

4.3.6 R ...

(6) Paragraphs (1) and (2) do not apply to any periodic fee in relation to a firm's permission for operating a multilateral trading facility and such a fee is not taken into account for the purposes of the split in (1). Instead any fee for this permission is payable on the date specified in FEES 4 Annex 10R (Periodic fees for MTF operators).

...

4.3.12 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:

...

...

4.4.2 R A *firm* (other than the *Society*) must send to the *FSA* 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 of *FEES 4 Annex 1R* (or *FEES 4.2.7BR* where applicable).

...

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

Part 1

This table shows how *regulated activities* for which a *firm* has *permission* are linked to activity groups ('fee-blocks'). A *firm* 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. Service companies	..
<u>B. MTF operators</u>	<u>its permission includes operating a multilateral trading facility.</u>

Part 2

...

Activity Group	Tariff-base
...	

A.3	<p>GROSS PREMIUM INCOME AND GROSS TECHNICAL LIABILITIES</p> <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 <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><del>less, premiums relating to pension fund management business where the firm owns the investments and there is no transfer of risk;</del></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>less,</p> <p><del>the amount of gross technical liabilities relating to pension fund management business where the firm owns the investments and there is no transfer risk.</del></p>
...	
A.4	<p>ADJUSTED GROSS PREMIUM INCOME AND MATHEMATICAL RESERVES</p>
	<p>Except for <i>UK ISPVs</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</p>

	<p>and private health insurance) must be included;</p> <p><b>Less</b></p> <p><del>premiums relating to pension fund management business where the firm owns the investments and there is no transfer of risk.</del> <u>pension fund management;</u></p> <p><b><u>Less</u></b></p> <p><u>premiums relating to Trustee Investment Plans.</u></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>
	<p><b>AND</b></p> <p>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></p> <p><del>mathematical reserves relating to pension fund management business where the firm owns the investment and there is no transfer of risk</del> <u>pension fund management;</u></p> <p><b><u>Less</u></b></p> <p><u>mathematical reserves relating to Trustee Investment Plans.</u></p> <p><b>Notes:</b></p> <p>(1) [deleted]</p> <p>(2) Only <i>premiums</i> receivable and mathematical reserves held in respect of United Kingdom business are relevant.</p> <p>(3) For <i>UK ISPVs</i> the tariff base is not relevant and a flat fee set out in <i>FEES</i> 4 Annex 2R is payable.</p> <p><u>(4) Trustee Investment Plans are the class of contract of insurance 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</u></p>



	<u>beneficially owned by the <i>insurer</i> and not earmarked to individual beneficiaries by that <i>insurer</i>.</u>
...	
A.10	<p>NUMBER OF TRADERS</p> <p>...</p> <ul style="list-style-type: none"> <li>▪ 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>.</li> </ul> <p><u>But not any <i>employees</i> or agents who work solely in the <i>firm's MTF</i> operation.</u></p>
...	
A.12	<p>APPROVED PERSONS</p> <p>The number of <i>persons</i> approved to perform the <i>customer functions</i> (CF 30), but excluding those <i>persons</i> <u>who work solely in the <i>firm's MTF</i> operation or solely acting in the capacity of an <i>investment manager</i> or solely advising <i>clients</i> in connection with <i>corporate finance business</i> or performing functions related to these.</u></p>
A.13	<p>APPROVED PERSONS</p> <p>The number of <i>persons</i> approved to perform the <i>customer functions</i> (CF 30), but excluding those <i>persons</i> <u>who work solely in the <i>firm's MTF</i> operation or solely acting in the capacity of an <i>investment manager</i> or solely advising <i>clients</i> in connection with <i>corporate finance business</i> or performing functions related to these.</u></p>
...	
A.18	<p>ANNUAL INCOME</p> <p>...</p> <p>Notes on annual income:</p> <p>...</p> <p><u>(6) The same <i>firm</i> may receive income under paragraph (a) and (c).</u></p>

	<p><u>(7) 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.</u></p> <p><u>(8) 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.</u></p> <p><u>(9) 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:</u></p> <p style="padding-left: 40px;"><u>(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</u></p> <p style="padding-left: 40px;"><u>(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.</u></p> <p><u>(10) 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).</u></p>
...	
B. Service companies	...
<u>B. MTF operators</u>	<u>Not applicable</u>

Part 3

This table indicates the valuation date for each fee-block. A firm can calculate its tariff data by applying the tariff bases set out in Part 2 with reference to the valuation dates shown in this table

Activity Group	Valuation date
...	
B. Service companies	...
<u>B. MTF operators</u>	<u>Not applicable</u>

4 Annex 2R

**Fee tariff rates, permitted deductions and EEA/Treaty firm modifications for the period from 1 April 2008 2009 to 31 March 2009 2010**

Part 1

This table shows the tariff rates applicable to each fee block

...	
Activity Group	Fee payable
...	
B. Service Companies	...
<u>B. MTF operators</u>	<u>As set out in FEES 4 Annex 10R (Periodic fees for MTF operators).</u>

...

Part 3

This table shows the modifications to fee tariffs that apply to *incoming EEA firms* and *incoming Treaty firms* which have established branches in the UK.

Activity Group	Percentage deducted from the tariff payable under Part 1	Minimum amount payable

	applicable to the firm	
...		
<u>B. MTF operators</u>	<u>Not applicable</u>	<u>Not applicable</u>

...

#### 4 Annex 3R Transaction reporting fees for the period from 1 April ~~2007~~ 2009 to 31 March ~~2008~~ 2010

This table shows the fees payable for *firms* using the FSA's Transaction Reporting System.

Fee Type	Fee amount ( <del>including</del> VAT)	
Transaction charge	Number of transactions per annum	Fee per transaction ( <del>inc.</del> VAT)
	For the first 1,000	0p
	1,001 – 1,000,000	<del>3p</del> <u>1.91p</u>
	1,000,001 – 4,000,000	<del>2.75p</del> <u>1.70p</u>
	4,000,001 – 8,000,000	<del>2.5p</del> <u>1.49p</u>
	8,000,001 – 13,000,000	<del>2.25p</del> <u>1.28p</u>
	13,000,001 – 20,000,000	<del>2p</del> <u>1.06p</u>
	>20,000,000	<del>1.75p</del> <u>0.85p</u>
Firms using the Transaction Reporting System will be additionally invoiced for:		
...		
(c)	an annual enrolment fee of <del>£235</del> <u>£200</u> ( <del>including</del> VAT) per registration held on 1 April each year for users of the FSA's Transaction Reporting System.	

...

**4 Annex 10R**     **Periodic fees for MTF operators payable in relation to the period 1 April 2009 to 31 March 2010**

<u>Name of MTF operator</u>	<u>Fee payable (£)</u>	<u>Due date</u>
<u>Barclays Bank Plc</u>	<u>2,600</u>	<u>30 April 2009</u>
<u>BATS Trading Ltd</u>	<u>38,000</u>	
<u>BGC Brokers L.P</u>	<u>2,600</u>	
<u>Cantor Index Limited</u>	<u>5,600</u>	
<u>CantorCO2e Limited</u>	<u>2,600</u>	
<u>Chi-X Europe Limited</u>	<u>38,000</u>	
<u>EuroMTS Limited</u>	<u>20,000</u>	
<u>GFI Brokers Limited</u>	<u>2,600</u>	
<u>GFI Securities Limited</u>	<u>2,600</u>	
<u>ICAP Electronic Broking Limited</u>	<u>4,400</u>	
<u>ICAP Energy Limited</u>	<u>2,600</u>	
<u>ICAP Europe Limited</u>	<u>2,600</u>	
<u>ICAP Hyde Tanker Derivatives Limited</u>	<u>2,600</u>	
<u>ICAP Securities Limited</u>	<u>2,600</u>	
<u>ICAP WCLK Limited</u>	<u>2,600</u>	
<u>Liquidnet Europe Limited</u>	<u>20,000</u>	
<u>MF Global UK Limited</u>	<u>2,300</u>	
<u>My Treasury Limited</u>	<u>2,600</u>	
<u>NASDAQ OMX Europe Limited</u>	<u>38,000</u>	
<u>NYMEX</u>	<u>20,000</u>	

<u>TFS-ICAP Limited</u>	<u>2,600</u>	
<u>Tradeweb Europe Limited</u>	<u>9,200</u>	
<u>Tradition (UK) Limited</u>	<u>2,600</u>	
<u>Tradition Financial Services Limited</u>	<u>2,600</u>	
<u>Tullett Prebon (Europe) Limited</u>	<u>2,600</u>	
<u>Tullett Prebon (Securities) Limited</u>	<u>2,600</u>	
<u>Turquoise Services Limited</u>	<u>38,000</u>	
<p><u>Any other firm whose permission includes operating a multilateral trading facility, including:</u></p> <p><u>(a) an EEA firm; or</u></p> <p><u>(b) a firm that, during the course of the relevant financial year, receives permission for operating a multilateral trading facility or whose permission is extended to include this activity.</u></p>	<p><u>In the case of an EEA firm that:</u></p> <p><u>(a) has not carried on the activity of operating a multilateral trading facility in the UK at any time in the calendar year ending 31 December 2008; and</u></p> <p><u>(b) notifies the FSA of that fact by the end of March 2009;</u></p> <p><u>the fee is zero.</u></p> <p><u>Information required under (b) is to be treated as information required under FEES 4.4 (Information on which Fees are calculated)</u></p> <p><u>In any other case:</u></p> <p><u>2000</u></p>	<p><u>In the case of a firm that, during the course of the relevant financial year, receives permission for operating a multilateral trading facility or whose permission is extended to include this activity, within 30 days of receiving that permission or extension.</u></p> <p><u>In any other case, 30 April 2009</u></p>

...

## 5.8 Joining the Financial Ombudsman Service

...

- 5.8.2     R     (1)     This rule deals with the calculation of:
- (a)     a firm's general levy in the 12 months ending on the 31 March in which it obtains permission, or its permission is extended, and the following 12 months ending on the 31 March, and
  - (b)     the tariff base for the industry blocks that relate to that permission or extension, as the case may be.
- (2)     Unless this rule says otherwise, the tariff base is calculated using the projected valuation for its first and second year of the business to which the tariff relates.
- (3)     The rest of this rule only applies to a firm that becomes authorised, or extends its permission, on or after 1 April 2009.
- (a)     If the tariff base is calculated using data from a period that begins on or after the date that the firm receives its permission or extension of permission, as the case may be, the firm must use that data.
  - (b)     If a firm satisfies the following conditions it must calculate its tariff base under (c) for the FSA financial year following the FSA financial year it obtained permission:
    - (i)     the firm receives its permission or extension of permission, as the case may be, between 1 April and 31 December inclusive; and
    - (ii)    the firm's tariff base, but for this rule, is calculated by reference to the firm's financial year ended in the calendar year ending 31 December or the twelve months ending 31 December prior to the FSA financial year.
  - (c)     If a firm satisfies the conditions in (b) it must calculate its tariff base as follows:
    - (i)     it must use actual data in relation to the business to which the tariff relates rather than projected valuations;
    - (ii)    the tariff is calculated by reference to the period beginning on the date it acquired permission, or had its permission extended, and ending on the 31 December before the start of the FSA financial year; and

- (iii) the figures are annualised by increasing them by the same proportion as the period of 12 months bears to the period starting from when the firm received its permission or extension to the 31 December, as the case may be.
- (d) Where a firm is required to use the method in (c) it must notify the FSA of its intention to do so by the date specified in FEES 5.4 (Information requirement).
- (e) Where a firm is required to use actual data under this rule FEES 4 Annex 1R Part 3 is modified in relation to the calculation of that firm's valuation date in its second financial year.

#### Application of FEES 5.8.2R

- 5.8.3 **G** The table below sets out the period within which a firm's tariff base is calculated ("the data period") for second year levies calculated under FEES 5.8.2R. 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 levies.

References in this table to dates or months are references to the latest one occurring before the start of the FSA's financial year unless otherwise stated.

<u>Type of permission acquired on 1 November</u>	<u>Tariff base</u>	<u>Valuation date but for FEES 5.8.2R</u>	<u>Data period under FEES 5.8.2R</u>
<u>Insurers – general</u>	<u>Relevant annual gross premium income</u>	<u>31 March 2009 – so projected valuations will be used</u>	<u>1 November to 31 December 2009.</u>
<u>Fund managers (including those holding client money/ assets and not holding client money/assets)</u>	<u>Relevant funds under management</u>	<u>Valued at 31 December</u>	<u>Valued at 31 December</u>
<u>Advisory arrangers, dealers or brokers holding and controlling client money and/or assets</u>	<u>Number of relevant persons approved to perform the customer function with certain exclusions</u>	<u>Relevant approved persons as at 31 December</u>	<u>Relevant approved persons as at 31 December</u>

...



5 Annex 1R Annual Fees Payable in Relation to ~~2008/09~~ 2009/10

...

Part 2: Fee tariffs for general levy and supplementary levy

...

Industry block	Tariff base	General levy payable by firm
1- Deposit acceptors, <i>home finance providers</i> and <i>home finance administrators</i> (excluding <i>firms</i> in blocks 13 & 15)	<p>Number of accounts relevant to the activities in <i>DISP</i> 2.6.1R <u>as at 31 December</u></p> <p><u>For an <i>e-money firm</i>, the tariff base includes the number of <i>e-money</i> accounts multiplied by 0.15. (7)</u></p>	£0.023 per relevant account, subject to a minimum levy of £100

...

<u>Notes</u>	
4	...
...	
7	<p><u>(1) An <i>e-money</i> account is, subject to (2), <i>e-money</i> that has been issued by an <i>e-money firm</i> and which can reasonably be regarded as being held by the owner of the <i>e-money</i> as a single balance and under the same arrangements.</u></p> <p><u>(2) An account that would be an <i>e-money</i> account under (1) will not be one where, as at 31 December, it carries a nil balance and/or has been inactive for a period of 12 months or more.</u></p>

...

Specific costs levy for newly authorised firms

6.4.10A R (1) This rule deals with the calculation of:

- (a) a participant firm's specific costs levy in the financial year of the FSCS following the FSCS financial year in which it became a participant firm; or
- (b) a participant firm's specific costs levy in the financial year of the FSCS in which it had its permission extended, and the following FSCS financial year; and

- (c) the tariff base for the *class* or *sub-classes* that relate to the relevant *permissions* or extensions, as the case may be.
- (2) Unless this *rule* says otherwise the tariff base is calculated, where necessary, using the projected valuation of the business to which the tariff relates.
- (3) The rest of this *rule* only applies to a *firm* that becomes a *participant firm*, or extends its *permission*, on or after 1 April 2009.
- (a) If a *participant firm*'s tariff base is calculated using data from a period that begins on or after it became a *participant firm* or on or after the date that the *participant firm* receives its extension of *permission*, as the case may be, the *participant firm* must use that data.
- (b) If a *participant firm* satisfies the following conditions it must calculate its tariff base under (c) for the *FSCS* financial year following the *FSCS* financial year it became a *participant firm*:
- (i) it became a *participant firm* or receives its extension of *permission*, as the case may be, between 1 April and 31 December inclusive; and
- (ii) its tariff base, but for this *rule*, is calculated by reference to the financial year ended in the calendar year ending 31 December or the twelve *months* ending 31 December before the *FSCS* financial year.
- (c) If a *participant firm* satisfies the conditions in (b) it must calculate its tariff base as follows:
- (i) it must use actual data in relation to the business to which the tariff relates rather than projected valuations;
- (ii) the tariff is calculated by reference to the period beginning on the date it became a *participant firm* or had its *permission* extended, and ending on the 31 December before the start of the *FSCS* financial year; and
- (iii) the figures are annualised by increasing them by the same proportion as the period of 12 *months* bears to the period starting from when the *participant firm* became a *participant firm* or had its *permission* extended to the 31 December, as the case may be.
- (d) Where a *participant firm* is required to use the method in (c) it must notify the *FSCS* of its intention to do so by the date specified in *FEES* 6.5.13R (Reporting Requirements).

- (e) Where a *participant firm* is required to use actual data under this rule FEES 6 Annex 3R is disapplied, to the extent it is incompatible, in relation to the calculation of that *participant firm's* valuation date in its second financial year.

Application of FEES 6.4.10AR

- 6.4.10B G The table below sets out the period within which a *participant firm's* tariff base is calculated (“the data period”) for second year levies calculated under FEES 6.4.10B. The example is based on a *participant firm* that extends its *permission* on 1 November 2009 and has a financial year ending 31 March.

References in this table to dates or months are references to the latest one occurring before the start of the FSCS financial year unless otherwise stated.

<u>Type of permission acquired on 1 November</u>	<u>Tariff base</u>	<u>Valuation date but for FEES 6.5.13BR</u>	<u>Data period under FEES 6.5.13BR</u>
<u>Accepting deposits</u>	<u>Protected deposits</u>	<u>As at 31 December 2009</u>	<u>As at 31 December 2009</u>
<u>Effecting contracts of insurance</u> <u>(Insurers – general)</u>	<u>Relevant net premium income</u>	<u>The firm's tariff base calculated in the year 2009 – so projected valuation will be used.</u>	<u>1 November to 31 December 2009</u>
<u>Dealing in investments as agent in relation to General Insurance Intermediation</u>	<u>Annual eligible income</u>	<u>Financial year ended 31 March 2009 – so projected valuations will be used.</u>	<u>1 November to 31 December 2009</u>

...

Compensation costs levy for newly authorised firms

- 6.5.9A R FEES 6.4.10AR applies to the calculation of a *participant firm's* compensation costs levy and its tariff base as it applies to the calculation of its specific costs levy.
- 6.5.9B G The example table in FEES 6.4.10BG can be applied to the calculation of the tariff bases under FEES 6.5.9AR.