

## FEES (PAYMENT SERVICES) (NO 2) INSTRUMENT 2009

### Powers exercised

- A. The Financial Services Authority makes this instrument in the exercise of the powers and related provisions in or under:
- (1) the following provisions of the Payment Services Regulations 2009 (SI 2009/209) (“the Regulations”):
    - (a) regulation 82 (Reporting requirements);
    - (b) regulation 92 (Costs of supervision); and
    - (c) regulation 93 (Guidance);
  - (2) the following provisions of the Financial Services and Markets Act 2000 (“the Act”):
    - (a) section 156 (General supplementary powers);
    - (b) section 234 (Industry Funding); and
    - (c) paragraph 17(1) (Fees) of Schedule 1 (The Financial Services Authority).
- 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 on 1 November 2009.

### 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.

### Citation

- F. This instrument may be cited as the Fees (Payment Services) (No 2) Instrument 2009.

By order of the Board  
28 May 2009

## Annex A

## Amendments to the Glossary of definitions

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

<i>fee-paying payment service provider</i>	<p><del>a payment institution, a full credit institution or an e-money issuer.</del> <u>any of the following when they provide payment services:</u></p> <p>(a) <u>a payment institution;</u></p> <p>(b) <u>a full credit institution;</u></p> <p>(c) <u>an e-money issuer;</u></p> <p>(d) <u>the Post Office Limited;</u></p> <p>(e) <u>the Bank of England, other than when acting in its capacity as a monetary authority or carrying out functions of a public nature; and</u></p> <p>(f) <u>government departments and local authorities, other than when carrying out functions of a public nature.</u></p>
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*A full credit institution or an e-money issuer that is an EEA firm is only a fee-paying payment service provider if it is exercising an EEA right in accordance with Part 2 of Schedule 3 to the Act (exercise of passport rights) to provide payment services in the United Kingdom. An EEA authorised payment institution is only a fee-paying payment service provider if it is exercising a right under Article 25 of the Payment Services Directive to provide payment services in the United Kingdom.*

<i>firm</i>	<p>...</p> <p>(5) (in FEES 3 to 5) includes a <i>fee-paying payment service provider</i> in accordance with FEES 3.1.1AR, <u>FEES 4.1.1AR and FEES 5.1.1AR.</u></p>
<i>relevant business</i>	<p>(1) (in DISP and FEES) that part of a <i>firm's</i> business which it conducts with <del>private individuals</del> <u>consumers</u> and which is subject to the jurisdiction of the <i>Financial Ombudsman Service</i> as provided for in DISP 2.3 (To which activities does the Compulsory Jurisdiction apply?), DISP 2.4 (To which activities does the Consumer Credit Jurisdiction apply?) and DISP 2.5 (To which activities does the Voluntary Jurisdiction apply?), measured by reference to the appropriate tariff-base for each <i>industry block</i>.</p> <p>...</p>

## Annex B

### Amendments to the Fees manual (FEES)

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

#### Application

- 1.1.2 R This manual applies in the following way:
- ...
- (2) *FEES* 1, 2 and 4 apply to:
- ... ..
- (h) under the Listing Rules (LR) every *sponsor*; ~~and~~
- (i) under the Disclosure Rules and Transparency Rules (DTR) every *issuer* of *shares*, depositary receipts and securitised derivatives; ~~and~~
- (j) every fee-paying payment service provider.
- (3) *FEES* 1, 2 and 5 apply to:
- (a) every *firm* and fee-paying payment service provider which is subject to the *Compulsory Jurisdiction* of the *Financial Ombudsman Service*; and
- ...
- ...
- ...

#### Purpose

- 2.1.5 G Paragraph 17 of Schedule 1 to and section 99 of the *Act* and regulation 92 of the *Payment Services Regulations* enable the *FSA* to charge fees to cover its costs and expenses in carrying out its functions. The corresponding provisions for the *FSCS* levy and *FOS* levies and case fees are set out in *FEES* 6.1 and *FEES* 5.2 respectively. Fee-paying payment service providers are not required to pay the *FSCS* levy but are liable for *FOS* levies.
- ...

## Application

- 4.1.1 R ...
- 4.1.1A R A reference to “firm” in this chapter includes a reference to a fee-paying payment service provider.
- ...
- 4.1.3 G Most of the detail of the periodic fees that are payable by *firms* is set out in *FEES 4 Annexes 1-8 1 to 11*. Most of the provisions of the Annexes will vary from one financial year to another. Accordingly fresh *FEES 4 Annexes* will come into force, following consultation, for each financial year.
- 4.1.4 G ...
- (3) The periodic fees for fee-paying payment service providers are set out in *FEES 4 Annex 11R*. This annex sets out the activity groups, tariff base, valuation dates and, where applicable, the flat fees due for these firms.
- ...
- 4.1.6 G The *FSA* will allocate penalties received for the benefit of relevant fee payers by way of a permitted deduction specified in *FEES 4 Annex 2R* or *FEES 4 Annex 11R* as applicable, or in the case of listed issuers, as notified to issuers annually, for the relevant year.
- ...
- 4.2.7 R A *firm* (other than an *ICVC* or *UCITS qualifier*) which becomes authorised, or whose ~~permission is~~ and/or payment service activities are extended, during the course of the financial year must pay a fee which is calculated by:
- (1) identifying each of the tariffs set out in Part 1 of *FEES 4 Annex 2R* and/or *FEES 4 Annex 11R* as appropriate for the relevant financial year that apply to the *firm* only after the ~~permission is~~ or payment service activities are authorised or extended, but ignoring:
- ...
- ...
- 4.2.7A G Projected valuations for a *firm's* first year will be collected for the 12 month period beginning with the date a *firm* becomes authorised or the date ~~its permission is~~ and/or payment service activities are extended. That information will be used to calculate the periodic fee for the remainder of the financial year in which the *firm* was authorised or its ~~permission was~~ and/or payment service activities were extended (adjusted in accordance

with FEES 4.2.7R) and to calculate the periodic fee for the following financial year. Projected valuations are not relevant for those fee payers that are only required to pay fixed fees.

- 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"); a firm's fees for its second financial year.~~ This is the FSA financial year following the FSA financial year in which it was given permission or was authorised under the Payment Services Regulations or had its permission and/or payment services activities extended ("the relevant permissions"); and
  - (b) the tariff base for the fee block or fee blocks that relate to ~~that permission or extension, as the case may be~~ each of the relevant permissions.
- ...
- (5) The rest of this *rule* only applies to a *firm* that becomes authorised, or extends its permission and/or payment services activities, 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,~~ obtains the relevant permission to which that tariff base relates, 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,~~ a relevant permission between 1 April and 31 December inclusive; and
    - (ii) is, but for this *rule*, required to calculate its tariff base for that relevant permission 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,~~ a relevant permission between 1 April and 31 December

inclusive; and

- (ii) the *firm's* tariff base for that relevant permission is, but for this *rule*, is calculated by reference to the *firm's* financial year ended in the calendar year ending on the 31 December prior to before the start of the *FSA* financial year or the twelve *months* ending 31 December ~~prior to~~ before the start of 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~~ the relevant permission relating to the tariff, 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 relevant permission or extension to the 31 December, ~~as the case may be~~.
- ...
- (f) Where a *firm* is required to use actual data under this *rule* *FEES* 4 Annex 1R Part 3 is and *FEES* 4 Annex 11R Part 4 are modified in relation to the calculation of that *firm's* valuation date in its second financial year.
- ...

4.2.8 R In relation to an *incoming EEA firm* or an *incoming Treaty firm* the modification provisions of *FEES* 4.2.7R apply only in relation to the relevant *regulated activities* of the *firm*, which are *passport activities* or *Treaty activities* and which are carried on in the *United Kingdom*, and which are not provided on a *cross border services* basis. For payment services the adjustment only applies to the business to which the calculation made in *FEES* 4.3.12A relates.

4.2.9 G The *FSA* will not refund periodic fees if, after the start of the period to which they relate:

...

- (2) a *firm* reduces its permission or payment services activities so that it then falls out of the fee-block previously applied to it;

...

- 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), ~~or 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 FSA 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 FSA sends the notification.

- 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> <i>qualifier</i> )	...	...	<i>Firm</i> receives <u>permission, or becomes authorised or registered under the <i>Payment Services Regulations</i></u> ; or <del><i>Firm</i></del> <i>firm</i> extends <u>permission or its payment service activities</u>
...			

...

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

- (1) each periodic fee applicable to it calculated in accordance with FEES 4.3.3R, using information obtained in accordance with FEES 4.4; ~~less~~ plus
- (1A) any periodic fee applicable to it calculated in accordance with FEES 4.3.3AR using information relating to its UK business obtained in accordance with FEES 4.4 (or by other means in the case of the Bank of England); less

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

- 4.3.2 G (1) The amount payable by each *firm* will depend upon the category (or categories) of regulated activities or payment services it is engaged in (fee-blocks), and on the amount of business it conducts in each category (tariff base). The fee-blocks and tariffs are identified in *FEES* 4 Annex 1R, while *FEES* 4 Annex 2R sets out the tariff rates for the relevant financial year. In the case of *firms* that provide payment services, the relevant fee blocks, tariffs and rates are set out in *FEES* 4 Annex 11R.
- (2) Incoming EEA firms, and incoming Treaty firms and EEA authorised payment institutions receive a discount to reflect the reduced scope of the FSA's responsibilities in respect of them. The level of the discount varies from fee-block to fee-block, according to the division of responsibilities between the FSA and Home state regulators for *firms* in each fee-block (see *FEES* 4.3.11G<sub>2</sub> and *FEES* 4.3.12R and *FEES* 4.3.12AR).

Calculation of periodic fee (excluding fee-paying payment service providers)

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

...

Calculation of periodic fee for fee-paying payments service providers

- 4.3.3A R The periodic fee referred to in *FEES* 4.3.1R in relation to fee-paying payment service providers is calculated in accordance with *FEES* 4 Annex 11R.

Modification for firms with new or extended permissions

- 4.3.4 G (1) A *firm* which becomes authorised or registered during the course of a financial year will be required to pay a proportion of the periodic fee which reflects the proportion of the year for which it will have a permission or the right to provide particular payment services - see *FEES* 4.2.5G and *FEES* 4.2.6R.
- (2) Similarly a *firm* which extends its permission or its right to provide particular payment services so that its business then falls within additional fee blocks will be required to pay a further periodic fee under this section for those additional fee blocks, but discounted to reflect the proportion of the year for which the *firm* has the extended



permission or payment services activity - see FEES 4.2.6R and FEES 4.2.7R.

...

...

Time of payment

4.3.6 R ...

(3) If a *firm* has applied to cancel its *Part IV permission* in the way set out in SUP 6.4.5D (Cancellation of permission), or its status as a payment institution under regulation 10 of the Payment Services Regulations (Cancellation of authorisation) or as regulation 10 is applied by regulation 14 of the Payment Services Regulations (Supplementary provisions), then (1) and (2) do not apply but it must pay the total amount due when the application is made.

(4) ...

(4A) If the FSA has cancelled a firm's authorisation or registration under regulation 10 of the Payment Services Regulations or its registration under regulation 10 as applied by regulation 14 of the Payment Services Regulations, then (1) and (2) do not apply but the firm must pay the total amount due immediately before the cancellation becomes effective.

...

...

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

4.3.11 G The FSA recognises that its responsibilities in respect of an *incoming EEA firm*, ~~or of an incoming Treaty firm~~ or an EEA authorised payment institution are reduced compared with a *firm* which is incorporated in the United Kingdom. Accordingly the periodic fees which would otherwise be applicable to *incoming EEA firms, and incoming Treaty firms and EEA authorised payment institutions* are reduced.

4.3.12 ...

4.3.12A R For a full credit institution or an e-money issuer which is a fee-paying payment service provider and an EEA firm, or for an EEA authorised payment institution, the calculation required by FEES 4.3.3AR is modified as follows:

(1) the tariffs set out in Part 5 of FEES 4 Annex 11R are only applied to the payment services of the firm which are carried on from an establishment in the United Kingdom, including payment services

provided through any of its *agents* established in the *United Kingdom*; and

- (2) those tariffs are modified in accordance with Part 7 of *FEES* 4 Annex 11R.

#### Firms Applying to Cancel or Vary Permission Before Start of Period

- 4.3.13 R (1) If:
- (a) a *firm* makes an application to vary its *permission* (by reducing its scope), or cancel it, in the way set out in *SUP* 6.3.15D(3) (Variation of permission) and *SUP* 6.4.5D (Cancellation of permission), or applies to vary (by reducing its scope) or cancel its authorisation or registration (regulation 8 and 10(1) of the *Payment Services Regulations* including as applied by regulation 14 of the *Payment Services Regulations*); an *issuer* makes an application for de-listing; or a *sponsor* notifies the *FSA* of its intention to be removed from the list of approved *sponsors*; and
  - (b) the *firm*, *issuer* or *sponsor* makes the application or notification referred to in (a) before the start of the period to which the fee relates;

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

...

- 4.3.14 G Where a *firm* has applied to cancel its *Part IV permission*, or its authorisation or registration under the *Payment Services Regulations* or the *firm* has exercised its *own-initiative powers* to cancel a ~~firm's~~ *firm's Part IV permission* or the *FSA* 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*, the due dates for payment of periodic fees are modified by *FEES* 4.3.6R(3), ~~and~~ *FEES* 4.3.6R(4) and *FEES* 4.3.6R(4A) respectively.

#### Firms acquiring businesses from other firms

- 4.3.15 R (1) This *rule* applies if:

...



After FEES 4 Annex 10R, insert the following new Annex. The text is not underlined.

**4 Annex 11R Periodic fees in respect of payment services carried on by fee-paying payment service providers under the Payment Services Regulations**

Part 1 – Method for calculating the fee

- (1) The periodic fee for *fee-paying payment service providers* is calculated by adding the minimum fee to an additional fee calculated by multiplying the tariff base identified in Part 3 of *FEES 4 Annex 11R* by the appropriate rates applying to each tranche of the tariff base as indicated in the table at Part 5. For *small payment institutions* and *small e-money issuers* the tariff rates are not relevant and a flat fee is payable.
- (2) A *fee-paying payment service provider* may apply the relevant tariff bases and rates to non-UK business, as well as to its UK business, if:
  - (a) it has reasonable grounds for believing that the costs of identifying the *firm's UK* business separately from its non-UK business in the way described in Part 3 of *FEES 4 Annex 11R* is disproportionate to the difference in fees payable; and
  - (b) it notifies the *FSA* in writing at the same time as it provides the information concerned under *FEES 4.4* (Information on which fees are calculated), or, if earlier, at the time it pays the fees concerned.
- (3) For a *fee-paying payment service provider* which is required to comply with *FEES 4.4.9D* (Information on which fees are calculated) and has not done so for this period:
  - (a) the fee is calculated using (where relevant) the valuation or valuations of business applicable to the previous period, multiplied by the factor of 1.10;
  - (b) an additional administrative fee of £250 is payable; and
  - (c) the minimum total fee (including the administrative fee in (b)) is £650.

Part 2 – Activity groups

This table shows how the *payment services* performed by *fee-paying payment service providers* are linked to activity groups ('fee-blocks'). A *fee-paying payment service provider* can use the table to identify which fee-blocks it falls into based on its authorisation or registration.

Activity group	Fee payer falls into this activity group if:
G.2 Certain deposit	it is a <i>fee-paying payment service provider</i> not

acceptors and <i>e-money issuers</i>	falling within any of the other fee-blocks in this table
G.3 Large payment institutions	it is an <i>authorised payment institution</i> , an <i>EEA authorised payment institution</i> or the Post Office Limited
G.4 Small payment institutions	it is a <i>small payment institution</i> or a <i>small e-money issuer</i>
G.5 – Other institutions	it is the Bank of England or a government department or local authority that provides <i>payment services</i> other than when carrying out functions of a public nature.

## Part 3

This table indicates the tariff base for each fee-block. The tariff base is the means by which the *FSA* measures the ‘amount of business’ conducted by *fee-paying payment service providers*.

<b>Activity group</b>	<b>Tariff-base</b>
G.2	<b>MODIFIED ELIGIBLE LIABILITIES</b> These are determined in the same manner as the tariff-base for relevant <i>firms</i> in the A.1 fee-block set out in <i>FEES 4 Annex 1 Part 2 R</i> .
G.3	<b>RELEVANT INCOME</b> This is the sum of the following elements of the <i>firm's UK</i> business: Interest income Interest expenses Gross commissions and fees received Gross other operating income calculated in the same manner as the “relevant indicator” referred to in paragraph 18(3) of Schedule 3 to the <i>Payment Services Regulations</i> . For the Post Office Limited only, Relevant Income relates only to its <i>payment services</i> business.
G.4	Not applicable.
G.5	As in G.3 and Relevant Income only relates to <i>payment services</i> business.

## Part 4 – Valuation period

This table indicates the valuation date for each fee-block. A *fee-paying payment service provider* 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
In this table, reference to specific dates or months are references to the latest one occurring before the start of the period to which the fee applies e.g. for 2010/11 fees (1 April 2010 to 31 March 2011), a reference to December means December 2009.	
Where a <i>fee-paying payment service provider's</i> tariff data is in a currency other than sterling, it must be converted into sterling at the exchange rate prevailing on the relevant valuation date.	
G.2	For <i>banks, e-money issuers</i> and <i>building societies</i> as in <i>FEES 4 Annex 1R Part 3</i> .
G.3	Relevant income for the financial year ended in the calendar year ending 31 December.
G.4	Not relevant.
G.5	Relevant income for the twelve <i>months</i> ending 31 December.

## Part 5 – Tariff rates

Activity group	Fee payable in relation to 2010/11	
G.2	Minimum fee (£)	400
	£ million of Modified Eligible Liabilities (MELS)	Fee (£/£m or part £m of MELS)
	[tariff band to follow]	[tariff rate to follow]
G.3	Minimum fee (£)	400
	£ thousands or part £ thousand of Relevant Income	Fee (£/£thousand or part £ thousand of Relevant Income)

	[tariff band to follow]	[tariff rate to follow]
G.4	£400	
G.5	As in G.3.	

Part 6 – Permitted deductions for financial penalties

*Fee-paying payment service providers* may make deductions as provided in this Part.

Activity group	Nature of deduction	Amount of deduction
G.2	Financial penalties received	[to follow]
G.3	Financial penalties received	[to follow]
G.4	Financial penalties received	[to follow]
G.5	Financial penalties received	[to follow]

Part 7 – Permitted deductions for *EEA authorised payment institutions, full credit institutions and e-money issuers* that are *EEA firms*

*Fee-paying payment service providers* may make deductions as provided in this Part.

Activity group	Percentage deducted from the tariff payable under Part 5 applicable to the firm	Minimum amount payable
G.2	[to follow]	[to follow]
G.3 excluding the Post Office Limited	[to follow]	[to follow]

...

Amend the following as shown.

## 5 Financial Ombudsman Service

...

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

...

5.4.1 R ...  
 (2) Paragraph (1) does not apply if the *firm* pays a *general levy* on a flat fee basis only or if it is the Bank of England.

...

5.4.4 G A *firm* should not provide a statement of *relevant business* if it deals only with *eligible complainants* who are not ~~private individuals~~ consumers. *Relevant business* is defined in the *Glossary* as business with ~~private individuals~~ consumers only. So FEES 5.4.1R does not apply in relation to business done with other types of *eligible complainant* described in DISP 2.7.3R(2), DISP 2.7.6R(12)(a) and DISP 2.7.6R(12)(a); the funding of FOS Ltd in relation to that business is by special case only (see FEES 5.5.6R).

...

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 was authorised under the *Payment Services Regulations* or had its *permission* and/or *payment services* activities extended (“relevant permissions”) ~~or its *permission* is extended,~~ and the following 12 months ending on the 31 March;<sup>2</sup> and

(b) the tariff base for the industry blocks that relate to ~~that *permission* or extension, as the case may be~~ each of the *relevant permissions*.

(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* and/or *payment services* activities, 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, as the case may be~~ obtains the relevant permission to which that tariff base relates, 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~~ a relevant permission:
- (i) the *firm* receives its ~~permission or extension of permission, as the case may be~~, a relevant permission between 1 April and 31 December inclusive; and
  - (ii) the *firm*'s tariff base for that relevant permission is, but for this *rule*, is calculated by reference to the *firm*'s financial year ended in the calendar year ending on the 31 December before the start of the *FSA* financial year or the twelve *months* ending 31 December ~~prior to~~ before the start of the *FSA* financial year.
- (c) If a *firm* satisfies the conditions in (b) it must calculate its tariff base as follows:
- ...
- (ii) the tariff is calculated by reference to the period beginning on the date it acquired ~~permission, or had its permission extended~~, the relevant permission relating to the tariff 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~~ any relevant permissions to the 31 December, as the case may be.
- ...

## 5 Annex 1R Annual Fees Payable in Relation to 2009/10

Introduction: annual budget

...

Industry block	Tariff base	General levy payable by firm
...		
11 – <i>fee-paying payment service providers</i> (but excluding <i>firms in any other Industry block</i> )	<p>N/A for 2008/09</p> <p>For <i>authorised payment institutions</i>, the Post Office Limited, the Bank of England, government departments and local authorities, and <i>EEA authorised payment institutions</i> relevant income as described in <i>FEES 4 Annex 11R Part 3</i></p>	[to follow]
	For <i>small payment institutions</i> and <i>small e-money issuers</i> a flat fee	Levy of £75 as from 2010/11