

July 2013



Dear Sir / Madam,

2013/14 FSCS levy for major banking failures of 2008/09

Enclosed is your invoice to cover your portion of the interest costs to 31 March 2013, and the first instalment of the capital repayments of FSCS's loans for the major banking failures of 2008/09.

In the Plan and Budget 2013/14, published in February 2013, FSCS announced that in 2013/14 it expected the first capital instalment to be £363m. This sum represents one third of the expected capital shortfall on FSCS's loans, excluding Bradford & Bingley, at 31 March 2016 when the loan terms expire.

In April 2013, FSCS announced that firms taking deposits were estimated to pay £429m to cover the interest costs to 31 March 2013. Following the completion of the final calculation of the interest bill by the Bank of England, I can now confirm this amount.

As a result of some firms resubmitting their tariff data for the previous year's major banking failure levy, FSCS has received an additional sum of £1m and so this amount will be offset against the 2013/14 levy.

I can therefore confirm that the total levy is £791m. This amount is payable by 1 September 2013 to enable the loan interest to be paid to HM Treasury by 1 October 2013.

More information about FSCS's work on the major banking failures can be found in our 2012/13 Annual Report, which is available on our website at www.fscs.org.uk.

If you have any questions about the calculation of this invoice please contact the FCA's Customer Contact Centre on 0845 6069966 or email the fees helpline on fcafees@fca.org.uk. If you have any questions about the allocation of the levy, please contact the FSCS's Initial Contact Team on 0800 678 1100 or 020 7741 4100 or by email at enquiries@fscs.org.uk.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Romm', with a stylized flourish extending to the right.

Rommel Pereira
Director of Central Services

**THIS INVOICE IS DUE FOR PAYMENT NO LATER THAN
1 SEPTEMBER 2013**

This invoice is raised by the Financial Conduct Authority on behalf of the Financial Services Compensation Scheme as the authorised collection agent

Ways to pay your Invoice

Further information



By Direct Debit – the easiest way to pay

Simply go to our website and download the Direct Debit form, fill it in and return it within **10 calendar days** of the date of this invoice. Before sending the form please check that – your account number has 8 digits; your sort code has 6 digits; and your bank account can accept direct debits (your bank can confirm this), or you can telephone the Fees Helpline and create the Direct Debit instruction over the phone.

<http://www.fca.org.uk/firms/being-regulated/fees/annual/payment>

If the invoice indicates you are already a direct debit payer we will collect the total amount of this invoice on or immediately after **1 September 2013**.



By Instalments

Regulatory fees & levies may be paid by instalments. Simply complete an agreement form on the Premium Credit Limited website **within 14 calendar days** of the date of this invoice. The FCA, whilst not endorsing Premium Credit Limited over other credit providers, has agreed to publicise the company as the unanimous choice of designated trade associations. The PCL online application form is available at <http://www.premium-credit.co.uk/fca.html>



By BACS/CHAPS transfer

Funds should be transferred to the following account:

Account name: FCA Collection Account
Bank Name: Lloyds TSB Bank plc
Account number: 00828179
Sort code: 30-00-02
SWIFT NO: LOYDGB2LCTY

Please reference your payment with your account number and invoice number as shown overleaf on this invoice. Without these details we may not be able to allocate your payment to this invoice. Please email your Remittance Advice and payment details to the fees helpline at fcafees@fca.org.uk



By Post/Cheque

ALL cheques should be made payable to **The Financial Conduct Authority**, with your account number and invoice number written on the back. Please fill in the Remittance Advice overleaf and send it with your cheque to:

The Financial Conduct Authority
25 The North Colonnade
Canary Wharf
London E14 5HS
Attn: SDD – Revenue Dept.



By Maestro/debit card

Please complete the debit card form on our website at

<http://www.fca.org.uk/firms/being-regulated/fees/annual/payment>



By credit card



Please complete the credit card form on our website at

<http://www.fca.org.uk/firms/being-regulated/fees/annual/payment>

An additional 2% of the invoice value will be payable if Regulatory fee invoices are paid by credit card.

Calculation of the Specified Deposit Default levy interest payment to 31 March 2013

Your firm's share of this levy has been worked out using the following formula

Total levy £428m
_____ X **your firm's protected deposits**
as at 31/12/2011

Total tariff base 927,816m
(total protected deposits as at 31/12/2011)

This works out to be approximately £461.30 per £1m of Protected Deposit.

Calculation of the Specified Deposit Default levy capital instalment for 2013/14

Your firm's share of this levy has been worked out using the following formula

Total levy £363m
_____ X **your firm's protected deposits**
as at 31/12/2012

Total tariff base 975,008m
(total protected deposits as at 31/12/2012)

This works out to be approximately £372.30 per £1m of Protected Deposit.

This invoice is for your firm's contribution to the specific costs (interest costs incurred in the 2012/2013 levy year); and the first instalment of the capital repayment of FSCS's loans from the defaults of Bradford & Bingley plc, Heritable Bank plc, Kaupthing Singer & Friedlander Ltd, Landsbanki (Icesave) and London Scottish Bank plc. It also covers costs of the resolution of Dunfermline Building Society.

Further information on the SDD levy is available on the FSCS website <http://www.fscs.org.uk/industry/news/2013/may/estimates-of-levy-for-interest-62tgm61d/index.html> and on the FCA fees webpage <http://www.fca.org.uk/firms/being-regulated/fees/others/fscs-additional-levies>

Getting in touch with us

Fees Helpline

Contact the Fees Helpline if you have a query on this invoice or making payment

☎ Phone (0845) 606 9966

✉ E-mail fcafees@fca.org.uk

Useful links

FSCS website: <http://www.fscs.org.uk>

Financial Services Compensation Scheme (FSCS) levy rules – FEES Manual, Chapter 6
<http://fshandbook.info/FS/html/handbook/FEES/6>

Late payment and recovery of fees & levies

If regulatory fees and levies are not paid by the due date, a £250 surcharge will apply and interest will commence being charged on any unpaid amount at a rate of 5% above the Bank of England's repo rate.

Where payment is still not forthcoming, civil and/or regulatory action to recover the debt may be taken.