

# **FCA authorisation application fees: new structure**

## **Policy Statement**

PS22/1\*\*

January 2022

## This relates to

Consultation Paper CP20/22 published in November 2020 and feedback on the consultation responses in chapter 7 of Consultation Paper CP21/08 published in April 2021.

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# 1 Summary

## Introduction

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- 1.1** In this policy statement (PS), we set out the new structure for authorisation application fees. We are introducing this following consultation in November 2020 and our feedback in April 2021. The new structure comes into effect from 24 January 2022. We also consulted on introducing a new charge for applications under the senior managers regime (SMR) and controlled functions for appointed representatives (CF(AR)). We will give further notice before we implement this.

## Who this applies to

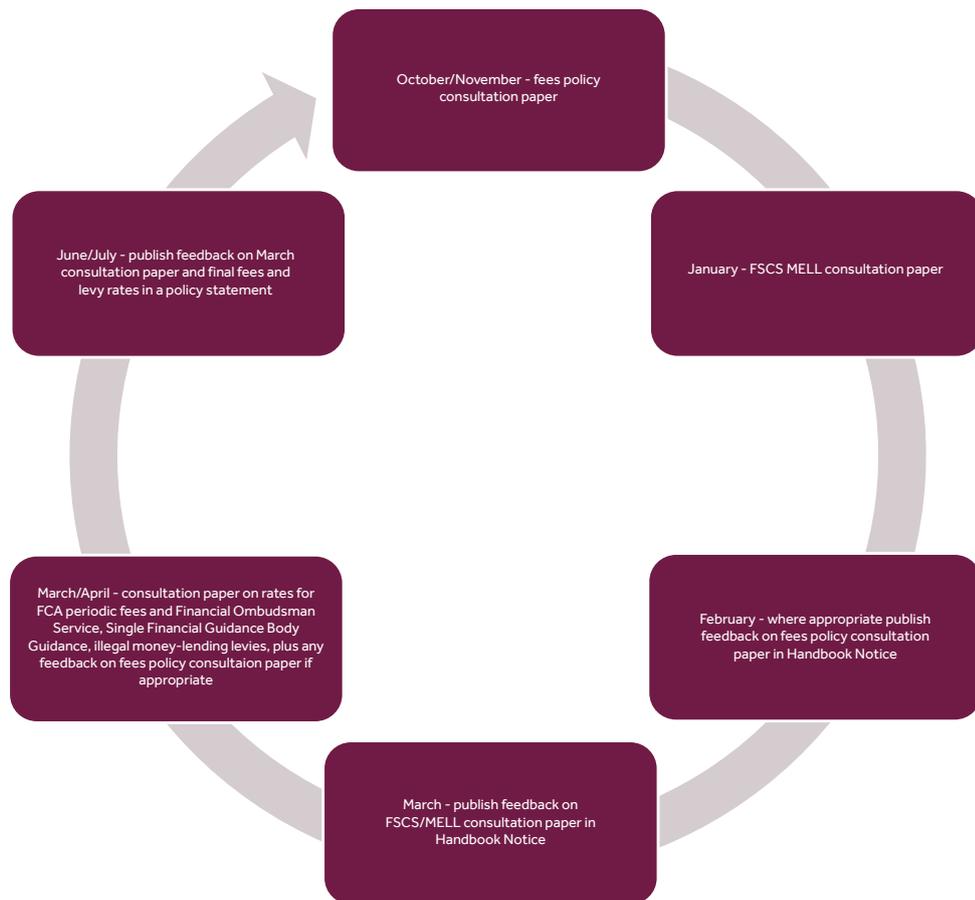
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- 1.2** This PS applies to all FCA fee-payers and to any businesses considering applying for FCA authorisation or registration.
- 1.3** It is not directly relevant to retail financial services consumers, although our fees are indirectly paid by users of financial services.

## The wider context

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- 1.4** Our annual fees consultation follows the following cycle:
- October or November – we consult on any changes to our policy on how we raise fees and levies. We give our feedback on the consultation responses in the following February/March Handbook Notice or the March/April Consultation Paper (CP).
  - January – we consult on the Financial Services Compensation Scheme (FSCS) management expenses levy limit (MELL), a joint consultation with the Prudential Regulation Authority (PRA). We give our feedback on the consultation responses in the March Handbook Notice.
  - March or April – we consult on FCA periodic fees rates for the next financial year (1 April to 31 March) and any proposed changes to application fees or other fees. We also consult on the Financial Ombudsman Service general levy, the Single Financial Guidance Body levies and illegal money-lending levies for the next financial year.
  - June to July – we publish feedback in a policy statement on responses received to the March or April CP, along with final fees and levy rates.



## New structure for application fees

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**1.5** We set out the details in Chapter 2 and the table in Annex 1.

## Equality and diversity considerations

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**1.6** We have considered the equality and diversity issues from our proposals. Overall, we do not consider that the proposals negatively affect any of the groups with protected characteristics under the Equality Act 2010, and no issues were raised during consultation.

## 2 New structure for application fees

### (Instrument in Appendix 1 - FEES 3)

- 2.1** We consulted in November 2020 on revalorising and restructuring FCA application fees. The consultation also proposed introducing new charges for notifications of changes in control (CiC) and notifications of functions under the senior managers regime (SMR) and controlled functions for appointed representatives (CF(AR)).
- 2.2** We provided feedback in April 2021. We said that we intended to proceed largely as consulted on, though with some adjustments in response to issues raised in consultation and we deferred our proposals on CiCs. Since the great majority of application fees are paid online, we explained that we were not able to implement our proposals immediately as we needed to amend and test our systems before going live. We have now completed this exercise and the new structure will come into effect on 24 January 2022 as part of a major release of our CONNECT online application system. We need to complete further work before we introduce the new charge of £250 for stand-alone long Form A applications under SMR and CF(AR). We will give notice of the implementation date through a handbook notice (HN).
- 2.3** Since we have already provided detailed feedback on the consultation responses in Chapter 7 of CP 21/08, we are not repeating the arguments in this PS. We summarise the key features of the new structure as it has been implemented, under the headings:
- Pricing categories for application fees
  - Consumer credit application fees
  - Claims management companies
  - Validation orders

### Pricing categories for application fees

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- 2.4** Most of our application fees have not changed since our predecessor, the Financial Services Authority (FSA), introduced them nearly 20 years ago. Inflation has subsequently eroded their value, leaving authorised firms paying an increasing proportion of our processing costs for applications for authorisation through their periodic fees. When we reviewed them in 2020, we identified more than 80 separate charges for FCA applications. This is confusing and so we have condensed them into the 10 simple pricing categories in Table 2.1. We grouped the charges into the 10 categories by, first, revalorising them in line with inflation from the date of their introduction and then moving them up or down to the nearest pricing category. 49 charges increased, 23 stayed the same and 11 were reduced. We believe that the overall impact of our proposals would raise the contribution of applicants towards the cost of processing their applications from about a third to about two-thirds. We consider this a fairer apportionment in principle, though there would not be a large practical impact on existing fee-payers.

**Table 2.1: Standard pricing categories**

Category	Charge (£)
1	250
2	500
3	1,000
4	2,500
5	5,000
6	10,000
7	25,000
8	50,000
9	100,000
10	200,000

**2.5** We set out the permissions falling within each category in Annex 1. Full details are in the instrument in Appendix 1.

**2.6** Our rules on application fees are set out in FEES 3 and we have taken the opportunity to simplify this chapter of the FEES manual:

- We have streamlined the table in FEES 3.2.7R which currently sets out a variety of charges and conditions, running from (a) to (zzh). We have converted it into a look-up table which refers to the appropriate annex.
- We have clarified the presentation of charges in FEES 3 Annex 1R by listing every permission it covers, with the appropriate pricing category.
- We have created a new annex FEES 3 Annex 1AR which lists the 10 pricing categories. We will update this annually. Since the other annexes now refer to categories not charges, they will not need updating.
- We have created 3 new annexes to bring together miscellaneous charges scattered through FEES 3.2.7 which were not included in any other annex. FEES 3 Annex 14R covers 'Other application fees,' Annex 15R covers transaction fees and Annex 16R covers variations of permission fees.

**2.7** To avoid erosion through inflation in the future, we will revalorise the category values in FEES 3 Annex 1AR annually in line with the increase or decrease in the costs of our ongoing regulatory activities (ORA) – ie the cost of operating the FCA. We will do this as part of our annual consultation on fee rates in March or April. This means that the revised charges will come into effect in July each year, along with the updated rates for periodic fees. We will carry out our first consultation on revalorisation in March/April 2023.

## Consumer credit application fees

**2.8** Consumer credit application fees are currently based on the applicant's income. We introduced this structure to protect small firms which were already trading when we took over the regulation of consumer credit in 2014. Income is a reasonable basis for charging a firm which is trading and has accounts to quote from, but it is less reliable for a new applicant working from estimates and could be manipulated. We have accordingly removed the fee-bands derived from income and replaced them with flat-rate fees:

**Table 2.2: Revised consumer credit application fees**

Range of current fees based on income	New fees within pricing categories
Limited permission: £100 - £500	Category 2: £500
Straightforward: £600 - £5,000	Category 3: £1,000
Moderately complex: £800 - £10,000	Category 5: £5,000
Complex: £1,000 - £15,000	Category 6: £10,000

- 2.9** As a result of concerns raised by respondents to our consultation, we have introduced a new category 3 fee (£1,000). This applies where firms apply for debt adjusting or debt counselling permissions, but with their activity limited to settlement sale of goods or settlement vehicle finance or the exclusion of debt management plans.
- 2.10** This charge affects firms such as mortgage brokers and retailers who take on restricted permissions for debt counselling and debt adjustment. These activities are ancillary to their core business. Debt counselling and debt adjusting are considered complex under the current structure, with income related charges of £1,000 - £15,000. Since these firms receive no income from their activities, they always fall into the lowest band but, under the new structure, they would have been charged a category 6 fee of £10,000. We appreciate the comments from respondents who pointed out this unintended consequence of removing the income bands. The new charge maintains the status quo.

## Claims management companies

- 2.11** The application fees for claims management companies (CMCs) were also based on income. The standard charge was £10,000, but firms estimating income under £1 million paid a lower fee of £1,200. We have removed the income-based fee but introduced a category 4 charge of £2,500 for lead generators who apply only for the permission of seeking out people who may have a claim. These firms undertake marketing activities and pass prospective leads to other CMCs or solicitors. This charge puts them in the same bracket as independent financial advisors and mortgage brokers. Lead generators who seek permission for the less restricted activities of 'advice, investigation or representation' will continue to pay the full £10,000 category 6 charge.

## Validation orders

- 2.12** A validation order (VO) enables a firm to legally enforce a debt when it has entered into a regulated credit agreement without holding the appropriate permission, or where the credit broker who arranged the transaction did not have the appropriate permission. At present, applications are charged £3,500 per type of agreement, up to a maximum of £10,000. Since there may be many types of agreement within any application, this is a complicated basis for a fee and does not take into account the resources generated by the largest and the smallest applications. We have introduced structured charges based on the value of the agreements within each VO, ranging from category 3 (£1,000) for agreements up to £500,000 to category 7 (£25,000) for agreements above £7.5m. The charges are listed in the instrument in Appendix 1, at FEES 3 Annex 15R.

## Annex 1

### List of permissions under the new pricing categories

Charging categories and permissions	Reference in current FEES manual	Reference in future FEES manual
<b>Category 1 - £250</b>		
Fee-block G.20: CBTL lender – Applicant with Part 4A permission	FEES 3 Annex 10AR: Consumer buy-to-let	FEES 3 Annex 10AR: Consumer buy-to-let
Fee-block G.21: CBTL arranger or adviser – Applicant with Part 4A permission	FEES 3 Annex 10AR: Consumer buy-to-let	FEES 3 Annex 10AR: Consumer buy-to-let
Fee-block G.1: Registration under the Money Laundering Regulations	FEES Appendix 3R: Money-laundering regulations, not cryptoasset businesses	FEES Appendix 3R: Money-laundering regulations, not cryptoasset businesses
Fee-block C: AIFM UK Reg 58 – giving notice	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block CC1, CC2: Community finance organisations	FEES 3 Annex 1R: Authorisation fees	FEES 3 Annex 1R: Authorisation fees payable in the A, B, C, CC and CMC fee-blocks
Payment Services: Notification of electronic communications exclusion	FEES 3 Annex 8R: Payment Services Regulations	FEES 3 Annex 8R: Payment Services Regulations
Fee-block C: AIFM UK Reg 57 – giving notice	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block C: AIFM UK Reg 59 – giving notice	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block A.2: Community finance organisation	FEES 3 Annex 1R: Authorisation fees	FEES 3 Annex 1R: Authorisation fees payable in the A, B, C, CC and CMC fee-blocks
Payment Services: Notification of limited network exclusion	FEES 3 Annex 8R: Payment Services Regulations	FEES 3 Annex 8R: Payment Services Regulations
Fee-block C: FSMA s 272, Money Market Funds Reg – fund exists prior to 2018	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
<b>Category 2 - £500</b>		
VoP within the same fee-block	FEES 3.2.7(p)	FEES 3 Annex 16R: variations of permission
Fee-block G.4: Small payment institution	FEES 3 Annex 8R: Payment Services Regulations	FEES 3 Annex 8R: Payment Services Regulations
Fee-block C: Money Market Funds Reg Art 5 – UK AIF, not non-UCITS retail or qualified investor scheme	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block C: Money Market Funds Reg Art 5 – Non-UK AIF, not marketed in UK	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block CC1: Limited consumer credit permission	FEES 3 Annex 1R: Authorisation fees	FEES 3 Annex 1R: Authorisation fees payable in the A, B, C, CC and CMC fee-blocks
Fee-block G.20: CBTL lender – Applicant without Part 4A permission	FEES 3 Annex 10AR: Consumer buy-to-let	FEES 3 Annex 10AR: Consumer buy-to-let
Fee-block G.21: CBTL arranger or adviser – Applicant without Part 4A permission	FEES 3 Annex 10AR: Consumer buy-to-let	FEES 3 Annex 10AR: Consumer buy-to-let

Charging categories and permissions	Reference in current FEES manual	Reference in future FEES manual
Registration as Protected cell company under Reg 14 Risk Transformation Regulations	FEES 3.2.7(zz)	FEES 3 Annex 14R: Other FCA application fees
<b>Category 3 - £1,000</b>		
Fee-block C: FSMA s 264 – operator giving notice	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block C: Money Market Funds Reg Art 5 – Non- UK AIF, not managed by AIFM but marketed in UK	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block C: Money Market Funds Reg Art 5 – Non- UK AIF, marketed in UK	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block G.11: Small electronic money institution	FEES 3 Annex 10R: Electronic Money Regulations	FEES 3 Annex 10R: Electronic Money Regulations
Benchmark endorser	FEES 3.2.7(zzc)	FEES 3 Annex 14R: Other FCA application fees
Fee-block G.26: Third party verifier	FEES 3.2.7 (zze)	FEES 3 Annex 14R: Other FCA application fees
Fee-block G.3: Registered account service provider – activity (h)	FEES 3 Annex 8R: Payment Services Regulations	FEES 3 Annex 8R: Payment Services Regulations
Fee-block CC2: Certain consumer credit applications	FEES 3 Annex 1R: Authorisation fees	FEES 3 Annex 1R: Authorisation fees payable in the A, B, C, CC and CMC fee-blocks
Validation order: agreement up to £500,000	FEES 3.2.7(zs)	FEES 3 Annex 15R: FCA transaction fees
<b>Category 4 - £2,500</b>		
Fee-block C: OEIC Reg 12- UCITS scheme	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block C: FSMA s 242 – UCITS scheme	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block C: FSMA s 261C – UCITS scheme	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block C: OEIC Reg 12 – Non-UCITS retail scheme	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block C: FSMA s 242 – Non-UCITS retail scheme	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Straightforward charge for 'A' fee-blocks: Fee-blocks A3, A4, A13, A14, A18, A19, A21, some benchmark administrators	FEES 3 Annex 1R: Authorisation fees	FEES 3 Annex 1R: Authorisation fees payable in the A, B, C, CC and CMC fee-blocks
Fee-block G.3: Authorised payment institution – activities (f) – (h)	FEES 3 Annex 8R: Payment Services Regulations	FEES 3 Annex 8R: Payment Services Regulations
Fee-block C: FSMA s 272 – UK AIF equivalent to qualified investor scheme	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block C: FSMA s 261C – Non-UCITS retail scheme	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Recognition as an accredited body	FEES 3.2.7(zi)	FEES 3 Annex 14R: Other FCA application fees
Validation order: agreement £500,000 - £750,000	FEES 3.2.7(zs)	FEES 3 Annex 15R: FCA transaction fees
Claims Management Company – lead generator only	Not applicable	FEES 3 Annex 1R: Authorisation fees payable in the A, B, C, CC and CMC fee-blocks

Charging categories and permissions	Reference in current FEES manual	Reference in future FEES manual
<b>Category 5 - £5,000</b>		
Fee-block C: OEIC Reg 12 – Qualified investor scheme	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block C: FSMA s 242 – Qualified investor scheme	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block C: FSMA s 261C – Qualified investor scheme	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block C: ELTIF Reg Art 5 – AIF	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Recognition as benchmark administrator	FEES 3.2.7(zzb)	FEES 3 Annex 14R: Other FCA application fees
Fee-block G.3: Authorised payment institution – activities (a) – (e)	FEES 3 Annex 8R: Payments services Regulations	FEES 3 Annex 8R: Payments services Regulations
Fee-block G.10: Authorised electronic money institution	FEES 3 Annex 10R: Electronic Money Regulations	FEES 3 Annex 10R: Electronic Money Regulations
Authorisation under Reg 7 of Data Reporting Service Regulations	FEES 3.2.7(zw)	FEES 3 Annex 14R: Other FCA application fees
Fee-block CC2: 'Moderately complex' charge for consumer credit –	FEES 3 Annex 1R: Authorisation fees	FEES 3 Annex 1R: Authorisation fees payable in the A, B, C, CC and CMC fee-blocks
Validation order: agreement £750,000 - £1,000,000	FEES 3.2.7(zs)	FEES 3 Annex 15R: FCA transaction fees
<b>Category 6 - £10,000</b>		
Moderately complex charge for 'A' fee-blocks: Fee-blocks A2, A3, A5, A7, A9, A10, Service companies, some benchmark administrators	FEES 3 Annex 1R: Authorisation fees	FEES 3 Annex 1R: Authorisation fees payable in the A, B, C, CC and CMC fee-blocks
Fee-group G.15: Change to terms of regulated covered bond	FEES 3.2.7(zn)	FEES 3 Annex 15R: FCA transaction fees
Fee-block C: FSMA s 272 – non-UK AIF equivalent to non-UCITS retail scheme or qualified investor scheme	FEES 3 Annex 2R: Collective investment schemes	FEES 3 Annex 2R: Collective investment schemes
Fee-block D: Application to become designated professional body	FEES 3.2.7(f)	FEES 3 Annex 14R: Other FCA application fees
Fee-block CC2: some consumer credit applications	FEES 3 Annex 1R: Authorisation fees	FEES 3 Annex 1R: Authorisation fees payable in the A, B, C, CC and CMC fee-blocks
Fee-block G.25: Data reporting service provider, non-transaction reporting	FEES 3.2.7(zy)	FEES 3 Annex 14R: Other FCA application fees
Fee-block CMC: Claims management company (not lead generator only)	FEES 3.2.7(zzd), FEES 3 Annex 1R: Authorisation fees	FEES 3 Annex 1R: Authorisation fees payable in the A, B, C, CC and CMC fee-blocks
Fee-block G23: Cryptoasset businesses	FEES Appendix 4R: Cryptoasset businesses	FEES Appendix 4R: Cryptoasset businesses
Insurance business transfer scheme – not long term	FEES 3.2.7(s)	FEES 3 Annex 15R: FCA transaction fees
Validation order: agreement £1,000,000 - £7,500,000	FEES 3.2.7(zs)	FEES 3 Annex 15R: FCA transaction fees

Charging categories and permissions	Reference in current FEES manual	Reference in future FEES manual
<b>Category 7 - £25,000</b>		
Insurance business transfer scheme – long term	FEES 3.2.7(s)	FEES 3 Annex 15R: FCA transaction fees
Fee-block G.25: Data reporting service provider – connection for transaction reporting	FEES 3.2.7(zx)	FEES 3 Annex 14R: Other FCA application fees
Fee-group G.15: Registration of regulated covered bond, mainly UK mortgages	FEES 3.2.7(zm)	FEES 3 Annex 15R: FCA transaction fees
Validation order: agreement above £7,500,000	FEES 3.2.7(zs)	FEES 3 Annex 15R: FCA transaction fees
<b>Category 8 - £50,000</b>		
Complex charge for 'A' fee-blocks: Fee-blocks A1, A3, A4, MTF/OTF, some benchmark administrators	FEES 3 Annex 11R: Authorisation fees	FEES 3 Annex 1R: Authorisation fees payable in the A, B, C, CC and CMC fee-blocks
Fee-block B: UK RIE offering safeguarding and administration services	FEES 3 Annex 3R: Recognised Investment Exchanges	FEES 3 Annex 3R: Recognised Investment Exchanges
Fee-block B: UK RIE using new and untested IT systems	FEES 3 Annex 3R: Recognised Investment Exchanges	FEES 3 Annex 3R: Recognised Investment Exchanges
Fee-block C: ROIE offering safeguarding and administration services	FEES 3 Annex 3R: Recognised Investment Exchanges	FEES 3 Annex 3R: Recognised Investment Exchanges
Fee-group G.15: Registration of regulated covered bond	FEES 3.2.7(zm)	FEES 3 Annex 15R: FCA transaction fees
<b>Category 9 - £100,000</b>		
Fee-block B: Recognised Overseas Investment Exchange	FEES 3 Annex 3R: Recognised Investment Exchanges	FEES 3 Annex 3R: Recognised Investment Exchanges
Fee-block B: Designated investment exchange	FEES 3.2.7(n)	FEES 3 Annex 14R: Other FCA application fees
<b>Category 10 - £200,000</b>		
Fee-block C: UK Recognised Investment Exchange	FEES 3 Annex 3R: Recognised Investment Exchanges	FEES 3 Annex 3R: Recognised Investment Exchanges

## Annex 2

# Compatibility statement

### Compliance with legal requirements

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1. This annex explains our reasons for concluding that our proposals in this consultation are compatible with certain requirements under the Financial Services and Markets Act 2000 (FSMA). Under section 138I of FSMA, the FCA is exempt from the requirement to carry out and publish a cost benefit analysis for such proposals.
2. When consulting on new rules, section 138I(2)(d) of FSMA requires us to include an explanation of why we believe making the proposed rules is (a) compatible with our general duty, under s.1B(1) of FSMA, so far as reasonably possible, to act in a way which is compatible with our strategic objective and advances one or more of our operational objectives, and (b) our general duty under s.1B(5)(a) of FSMA to have regard to the regulatory principles in s.3B of FSMA. We are also required by s.138K(2) of FSMA to state our opinion on whether the proposed rules will have a significantly different impact on mutual societies as opposed to other authorised persons.
3. This annex also sets out our view of how the proposed rules are compatible with our duty to discharge our general functions (which include rule-making) in a way which promotes effective competition in the interests of consumers (s.1B(4)). This duty applies in so far as promoting competition is compatible with advancing our consumer protection and or integrity objectives.
4. This annex also explains how we have considered the Treasury's recommendations under s.1JA of FSMA of aspects of the Government's economic policy which we should consider in connection with our general duties.
5. This annex includes our assessment of the equality and diversity implications of these proposals.

### The FCA's objectives and regulatory principles: Compatibility statement

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6. Our proposals in this consultation are not intended in themselves to advance our operational objectives, but the fees we collect will fund our capacity to achieve them. Therefore, these proposals will indirectly advance our operational objectives of:
  - delivering consumer protection - securing an appropriate degree of protection for consumers
  - enhancing market integrity - protecting and enhancing the integrity of the UK financial system
  - building competitive markets - promoting effective competition in the interests of consumers

7. We also think that these proposals are compatible with our strategic objective of ensuring that the relevant markets function well, albeit indirectly. This is because they will enable us to fund the activities to help us meet that objective. For the purposes of our strategic objective, 'relevant markets' are defined by s.1F of FSMA. In this annex, references to objectives means both our strategic objective and operational objectives.
8. In preparing the proposals set out in this consultation, we have had regard to the regulatory principles set out in s.3B of FSMA. Most of the relevant regulatory principles are considered below:

### **The need to use our resources in the most efficient and economic way**

9. Our fee-raising proposals are set to recover our costs in carrying out our responsibilities under FSMA and associated legislation. We aim to carry out this work in the most efficient and economical way possible, concentrating on the areas of activity that pose the greatest risk to our objectives.

### **The principle that a burden or restriction should be proportionate to the benefits**

10. Our fees are necessary for us to meet our objectives. As outlined above, we aim to use our resources in the most efficient and economic way, while delivering benefits to UK consumers, through our regulatory activities.
11. We have introduced reduced charges for some consumer credit and claims management firms which apply for restricted activities.

### **The desirability of recognising differences in the nature of, and objectives of, businesses carried on by different persons including mutual societies and other kinds of business organisation**

12. We have introduced a new structure of charges for validation orders which reflects the value of the orders applied for.

### **The principle that we should exercise of our functions as transparently as possible**

13. Our consultation processes are intended to ensure that we are transparent about the thinking behind our proposals and clearly explain what we expect to achieve. We believe that this CP meets these objectives. One of the aims of restructuring our application fees is to make them easier to understand.

### **Expected effect on mutual societies**

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14. We do not expect the proposals in this paper to have a significantly different impact on mutual societies to the impact on other authorised firms.

## Compatibility with the duty to promote effective competition in the interests of consumers

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- 15.** These proposals enable us to fund the activities we need to undertake in 2018/19. These activities include meeting our duty to promote effective competition in the interests of consumers. Fees are not intended in themselves to influence firms' behaviour.

## Equality and diversity

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- 16.** We are required under the Equality Act 2010 to 'have due regard' to the need to eliminate discrimination and to promote equality of opportunity in carrying out our policies, services and functions. As part of this, we conduct an equality impact assessment to ensure that the equality and diversity implications of any new policy proposals are considered.
- 17.** As explained in paragraph 1.6 of this PS, we do not think that the proposals negatively impact any of the groups with protected characteristics under the Equality Act 2010. But we will continue to consider the equality and diversity implications of the proposals during the consultation period, and will revisit them when publishing the final rules.

## The Treasury's recommendations about economic policy

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- 18.** Each year, the Treasury makes recommendations to us under section 1JA of FSMA about aspects of economic policy which we should consider when undertaking our functions. Our fees proposals indirectly take account of the Treasury's recommendations by providing the resources that enable us to meet our objectives in taking responsibility for the claims management market.

## Annex 3

### Abbreviations used in this paper

Abbreviation	Description
CF(AR)	Controlled functions for appointed representatives
CiC	Change in control
CMC	Claims management company
CP	Consultation paper
FCA	Financial Conduct Authority
FSA	Financial Services Authority
FSMA	Financial Services and Markets Act 2000
HN	Handbook notice
ORA	Ongoing regulatory activities
PRA	Prudential Regulation Authority
PS	Policy statement
SMR	Senior Managers Regime
VO	Validation order
VoP	Variation of permission

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# Appendix 1

## Application fees (amendment) instrument 2021 (made rules - legal instrument)

**APPLICATION FEES (AMENDMENT) INSTRUMENT 2021****Powers exercised**

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the powers and related provisions in or under:
- (1) the following powers and related provisions of 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 234 (industry funding);
    - (f) paragraph 23 (Fees) of Part 3 (Penalties and Fees) of Schedule 1ZA (The Financial Conduct Authority) of the Act;
  - (2) regulation 118 (Costs of supervision) of the Payment Services Regulations 2017 (SI 2017/752);
  - (3) regulation 59 (Costs of supervision) of the Electronic Money Regulations 2011 (SI 2011/99);
  - (4) regulation 46 and paragraph 5 of Schedule 1(Fees) in the Regulated Covered Bond Regulations 2008 (SI 2008/346);
  - (5) article 25(a) (Application 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 40 (FCA: penalties, fees and exemption from liability in damages) of the Data Reporting Services and Regulations 2017 (SI 2017/699);
  - (7) section 27 of the Financial Guidance and Claims Act 2018;
  - (8) regulation 26 of the Financial Services and Markets Act (2000) (Benchmarks) Regulations 2018 (SI 2018/135);
  - (9) regulation 40 (FCA: penalties, fees and exemption from liability in damages) of the Data Reporting Services Regulations 2017 (SI 2017/699);
  - (10) paragraph 25 of Schedule 1 of the Financial Services and Markets Act 2000 (Markets in Financial Instruments) Regulations (SI 2017/701);
  - (11) regulation 21 of the Small and Medium Sized Business (Credit Information) Regulations 2015 (SI 2015/1945);

- (12) regulation 18 of the Small and Medium Sized Business (Finance Platforms) Regulations 2015 (SI 2015/1946); and
- (13) paragraph 11 (Penalties and fees) of Schedule 1 and paragraph 4(7) of Schedule 2 of the Securitisation Regulations 2018 (SI 2018/1288).

B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instruments) of the Act.

### **Commencement**

C. This instrument comes into force on 24 January 2022.

### **Amendments to the Handbook**

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

### **Notes**

E. In this instrument, notes shown as “**Note:**” and “*Editor’s note:*” are intended for the convenience of the reader but do not form part of the legislative text.

### **Citation**

F. This instrument may be cited as the Application Fees (Amendment) Instrument 2021.

By order of the Board  
16 December 2021

## Annex

### Amendments to the Fees manual (FEES)

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

## 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 every *person* set out in the annexes to *FEES 3* referred to in column 1 of the Table of application, notification and vetting fees in *FEES 3.2.7R*.

...

#### Purpose

...

- 3.1.4 G Most of the detail of what fees are payable by the persons referred to in *FEES 3.1.3G* is set out in *FEES 3 Annex 1AR* – ~~*FEES 3 Annex 12R*~~ *FEES 3 Annex 16R*.

...

- 3.1.6 G ~~Applications for *Part 4A permission* other than in respect of *credit-related regulated activities* are categorised by the *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 *FCA's* risk assessment of the applicant. [deleted]~~

- 3.1.6A G ~~Application fees for authorisation or registration~~ Fees for applications and notifications under the *Payment Services Regulations* are set out in *FEES 3 Annex 8R*. The fee depends on the type of *payment services* a firm wishes to provide and whether it will be a *small payment institution* or an *authorised payment institution*. The fee may also depend on the number of *agents* it has.

- 3.1.6B G ~~Application fees for authorisation or registration~~ Fees for applications and notifications under the *Electronic Money Regulations* are set out in *FEES 3 Annex 10R*. The fee depends on whether the firm is an *authorised electronic money institution* or a *small electronic money institution*.

3.1.6C G Application fees for registration under article 8(1) of the *MCD Order* are set out in *FEES 3 Annex 10AR*. The fee depends on whether the *firm* holds an existing *Part 4A permission* ~~or an interim permission~~ or has previously registered as a *CBTL firm* and that registration has been revoked under article 13 of the *MCD Order*.

...

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 1F*~~ *FEES 3 Annex 1AR* and *FEES 3 Annex 16R*. ~~Applications for *Part 4A permission* in respect of *credit-related regulated activities* are categorised by the *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.]

## 3.2 Obligation to pay fees

### General

3.2.1 R A *person referred to* in column (1) of the table in *FEES 3.2.7R* 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 *FCA* systems, or admission approval made, or notification, or other matter as 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 or the relevant annexes.

...

3.2.2 G If an application for a *Part 4A permission* falls within more than one pricing category set out in *FEES 3 Annex 1AR*, other than where one of the applications is an application under the *benchmarks regulation*, only one fee is payable. That fee is the one for the category to which the highest fee tariff applies, unless the contrary intention appears. Where applications are made under the *benchmarks regulation*, a separate fee will be payable for this application. ~~The relevant fee is set out in *FEES 3.2.7R*.~~

## Method of payment

- 3.2.3 R (1) ~~Unless (2), (3) or (4) applies, the sum payable under FEES 3.2.1R must be paid by bankers draft, cheque or other payable order. Unless FEES 3.2.3AR applies, the sum payable under FEES 3.2.1R must be paid online by Maestro, Visa Debit or credit card. If payment is made by credit card, it must be made by Visa, Mastercard or American Express.~~
- (2) The FCA does not specify a method of payment for a person seeking to:
- (a) ~~become a recognised body or a designated professional body; or~~
- (b) ~~be added to the list of designated investment exchanges or accredited bodies.~~
- (3) ~~The sum payable under FEES 3.2.1R by a firm applying for a variation of its Part 4A permission which is not an application for new permission solely in respect of one or more credit-related regulated activities (FEES 3.2.7R(p)(1) or FEES 3.2.7R(p)(4) and, if applicable, FEES 3.2.7R(e)) must be paid by any of the methods described in (1) or by Maestro, Visa Debit or credit card (Visa/Mastercard/American Express only).~~
- (4) ~~Unless FEES 3.2.3AR applies, the sum payable under FEES 3.2.1R by a firm applying for a Part 4A permission in respect of credit-related regulated activities only or a variation of its Part 4A permission to add solely one or more credit-related regulated activities must be paid by Maestro, Visa Debit or credit card (Visa/Mastercard/American Express only).~~
- (5) ~~[deleted]~~
- 3.2.3A R (1) If the fee payer (as specified in column (1) of FEES 3.2.7R) in relation to FEES 3.2.3R(4) is:
- (a) ~~unable to make a payment by credit or debit card by any of the methods of payment set out in FEES 3.2.3R; or~~
- (b) ~~permitted to make a paper application rather than an online application for a Part 4A permission in respect of credit-related regulated activities only or a variation of its Part 4A permission to add a credit-related regulated activity;~~

the sum payable under FEES 3.2.1R can be paid by bankers draft, cheque or other payable order.

...

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

Part 4 1A: Application, notification and vetting fees		
(1) Fee payer	(2) Fee payable (£) by reference to the pricing category in FEES 3 Annex 1AR.	Due date
(a) Any applicant for <i>Part 4A permission</i> (including an <i>incoming firm</i> applying for <i>top-up permission</i> ) whose fee is not payable pursuant to sub-paragraph (zza) of this table	<p>(1) Unless (2), or (3) or (4) applies, in respect of a particular application, the highest of the tariffs set out in FEES 3 Annex 1AR part 1 which apply to that application.</p> <p>(2) <del>When both (A) and (B) apply, 50% of the tariff payable under (1):</del> <u>50% of the tariff payable under (1) is payable when either (a) or (b) apply:</u></p> <p><u>(a) the application is one referred to in paragraph p; or</u></p> <p><u>(b) the application is a limited permission case under FEES 3 Annex 1.</u></p> <p><del>When both (A) and (B) apply, 50% of the tariff payable under (1):</del></p> <p><del>(A) the application only involves a simple change of legal status as set out in FEES 3 Annex 1 part 6; and</del></p> <p><del>(B) the application is:</del></p>	On or before the application is made

	<p>(i) a straightforward case under paragraph 2(d) or 3(g) of <i>FEES 3 Annex 1</i>;</p> <p>(ii) a moderately complex case under paragraph 2I or 3(h) of <i>FEES 3 Annex 1</i>; or</p> <p>(iii) a <i>limited permission</i> case under paragraph 3(i) of <i>FEES 3 Annex 1</i>.</p> <p>(3) If the applicant applies for registration under article 8(1) of the <i>MCD Order</i> at the same time as applying for a <i>Part 4A permission</i> <i>Part 4A permission</i>, the fee payable is the higher of:</p> <p>(i) the fee otherwise payable in (1) or (2); and</p> <p>(ii) the fee payable in <i>FEES 3 Annex 10AR</i>.</p> <p>(4) No fee is payable if the applicant satisfies the criteria set out in <i>FEES 4 Annex 2BR(5)(a)</i>. [deleted]</p>	
...		
(c) Any applicant for a certificate under article 54 of the Regulated Activities Order [deleted]	2,000	On or before the application is made
(d) Applicants for an <i>authorisation order</i> for, or recognition under section 272 of the <i>Act</i> of, a <i>collective investment scheme</i> [deleted]	<i>FEES 3 Annex 2R</i> , part 2	On or before the application is made

<p>(da) <u>Applicants for the authorisation of an AIF as a LTIF Persons making an application or notification in relation to applications set out in FEES 3 Annex 2R:</u></p> <p>(i) <u>authorisation order for or recognition under section 272 of the Act of a collective investment scheme;</u></p> <p>(ii) <u>application for the authorisation of an AIF as an LTIF;</u></p> <p>(iii) <u>the management company of a scheme making a notification under section 264 of the Act;</u></p> <p>(iv) <u>a non-UK AIFM (with a branch in the UK) notifying the FCA of its intention to market an AIF in the UK under regulation 59 of the AIFMD UK regulation;</u></p> <p>(v) <u>an AIFM notifying the FCA of its intention to market an AIF in the UK under regulation 58 or 59 of the AIFMD UK regulation;</u></p> <p>(vi) <u>an applicant for registration on the register of small registered UK AIFM.</u></p>	<p><del>FEES 3 Annex 2R, part 2A</del></p> <p><u>Category applicable to the application or notification set out in FEES 3 Annex 2R</u></p>	<p>On or before the date the application <u>or notification</u> is made</p>
<p>(e) <del>The management company of a scheme making a notification under section 264 of the Act</del></p> <p><u>Any applicant making an application set out in FEES 3 Annex– 14R - Other FCA application fees:</u></p> <p>(i) <u>Any person seeking an order under section 326(1) of the Act to become a designated professional body;</u></p> <p>(ii) <u>applicant to be added to the list of designated investment exchanges;</u></p> <p>(iii) <u>any applicant for recognition as an accredited body;</u></p>	<p><del>FEES 3 Annex 2R, part 3</del></p> <p><u>Pricing category applicable to the application set out in FEES 3 Annex 14R</u></p>	<p><del>On or before the date the application is made</del></p> <p><u>As specified in FEES 3 Annex 14R</u></p>

<p><u>(iv) any applicant for registration under regulation 14 of the <i>Risk Transformation Regulations</i> as a <i>protected cell company</i>;</u></p> <p><u>(v) an application for recognition of an administrator in accordance with article 32 of the <i>benchmarks regulation</i>;</u></p> <p><u>(vi) an application for endorsement of a <i>benchmark</i> or family of <i>benchmarks</i> in accordance with article 33 of the <i>benchmarks regulation</i>;</u></p> <p><u>(vii) an application for authorisation under regulation 7 of the <i>DRS Regulations</i>, or the operator of a <i>trading venue</i> seeking verification of their compliance with Title V of <i>MiFID</i> under regulation 8 of the <i>DRS Regulations</i>;</u></p> <p><u>(viii) an application for variation of an authorisation under regulation 12 of the <i>DRS Regulations</i>;</u></p> <p><u>(ix) an application for connection to the <i>market data processor system</i> to provide reports directly to the <i>FCA</i> under <i>MiFIR</i>;</u></p> <p><u>(x) an application to connect to the <i>market data processor system</i> to provide <i>markets data (other than transaction reports)</i> under <i>MAR 10</i>;</u></p> <p><u>(xi) an application for authorisation as a <i>third party verifier</i>.</u></p>		
<p>(ea)</p> <p><del>(i) A non-UK AIFM (with a branch in the UK) notifying the FCA of its intention to market an AIF in the UK under regulation 59 of the AIFMD UK regulation</del></p> <p><del>(ii) An AIFM notifying the FCA of its intention to market an AIF in the</del></p>	<p><del>FEES 3 Annex 2R, part 4</del></p>	<p><del>On or before the date the notification is made</del></p>

<del>UK under regulation 58 or 59 of the AIFMD UK regulation [deleted]</del>		
(eb) <del>An applicant for registration on the register of <i>small registered UK AIFM</i> which the <i>FCA</i> is required to maintain under regulation 10 of the <i>AIFMD UK regulation</i> [deleted]</del>	£750	<del>On or before the date the notification is made</del>
(f) <del>Any person seeking an order under section 326(1) of the <i>Act</i> to become a <i>designated professional body</i>. Persons making an application referred to in <i>FEES 3 Annex 15R – Transaction fees</i>:</del>  <del>(i) any applicant for a certificate under article 54 of the <i>Regulated Activities Order</i>;</del>  <del>(ii) a transferor in the case of an <i>insurance business transfer scheme</i>;</del>  <del>(iii) an <i>issuer</i> applying for registration of a <i>regulated covered bond</i>;</del>  <del>(iv) an <i>issuer</i> who proposes to make a material change to the contractual terms of a <i>regulated covered bond</i> under <i>RCB 3.5.4D</i>;</del>  <del>(v) an applicant for <i>FCA</i> permission for:</del>  <del>    i. an agreement to be enforced under section 28A(3)(a) of the <i>Act</i>; or</del>  <del>    ii. money paid or property transferred under the agreement to be retained under section 28A(3)(b) of the <i>Act</i>.</del>	10,000 <u>Pricing category applicable to the application or notification set out in <i>FEES 3 Annex 15R</i>.</u>	As specified in <i>FEES 3 Annex 15R</i>
...		
(n) <del>Applicants to be added to the list of <i>designated investment exchanges</i> [deleted]</del>	50,000	<del>On or before the date the notification is made</del>

...		
<p>(p) A <i>firm</i> applying for a variation of its <i>Part 4A permission</i>, as referred to in <i>FEES 3 Annex 16R</i>, whose fee is not payable pursuant to subparagraph (zza) or (zzh) of this table</p>	<p>(1) <del>Unless (2), (2A), (3), (3A), (3B), (3C), (3D) or 3(E) 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> 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. As specified in <i>FEES 3 Annex 1R-Fees 3 Annex 14R</i></del></p> <p>(2) <del>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 credit-related regulated activity, 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 activity</i>. Subject to (3) below, if the new business of the <i>firm</i> would fall within more than one pricing category in <i>FEES 3 Annex 1AR</i>, the fee</del></p>	<p>On or before the date the application is made</p>

	<p>payable is that in the <u>highest pricing category applicable to the application.</u></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. [deleted]</p> <p>(3) If the <i>firm</i> is in the A.1 fee block at the date of the application and the variation involves adding any of the <i>regulated activities of meeting of repayment claims or managing dormant account funds (including the investment of such funds)</i>, the fee is 50% of the fee in <i>FEES 3 Annex 1R</i> that applies to that application[deleted]</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></p>	
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	<p>which apply to that application. <del>[deleted]</del></p> <p>(3B) If the applicant has a <i>limited permission</i> and its application exclusively relates to another limited permission, the fee is <math>\theta</math> <del>[deleted]</del></p> <p>(3C) If the applicant applies for registration under article 8(1) of the <i>MCD Order</i> at the same time as it applies for a variation of its <i>Part 4A permission</i>, the fee payable is the highest of:</p> <p>(i) the fees set out in <i>FEES 3 Annex 10AR</i> and;</p> <p>(ii) the amount otherwise payable in (1), (2), (2A), (3), (3A) or (3B), or (4) <u>accordance with <i>FEES 3 Annex 16R</i></u>;</p> <p>(3D) No fee is payable if the applicant satisfies the criteria set out in <i>FEES 4 Annex 2BR(5)(a)</i>. <del>[deleted]</del></p> <p>(4) In all other cases, other than applications by credit unions, the fee payable is 250 for <i>firms</i> which are not, or are not seeking to become, a <i>PRA- authorised person</i>, and 125 for <i>firms</i> which are, or are seeking to become, a <i>PRA- authorised</i></p>	
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	<p><i>person</i>, unless the variation involves only the reduction (and no other increases) in the scope of a <i>Part 4A permission</i> in which case no fee is payable. [deleted]</p> <p>(3E) The fee is 12,500 if the <i>firm</i> applying:</p> <p>(i) is an <i>MTF operator</i> and the proposed new business of the <i>firm</i> is to be an <i>OTF operator</i>; or</p> <p>(ii) is an <i>OTF operator</i> and the proposed new business of the <i>firm</i> is to be an <i>MTF operator</i>. [deleted]</p>	
...		
<p>(s) In the case of an <i>insurance business transfer scheme</i>, a transfer.</p> <p>Note— for the purpose of this paragraph an <i>insurance business transfer scheme</i> consists of a single transferor and a single transferee. Where however such a scheme is part of a single larger scheme, that larger scheme is treated as a single <i>insurance business transfer scheme</i>. If an <i>insurance business transfer scheme</i> includes more than one transferor in accordance with this paragraph, the transferors are liable to pay the fee under column (2) jointly. [deleted]</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>, 20,000; or</p> <p>(2) in the case of an <i>insurance business transfer scheme</i> not involving <i>long term insurance business</i>, 12,500.</p>	<p>On or before any application is made for the appointment of a person as an <i>independent expert</i>.</p>
...		
<p>(y) An applicant for authorisation as an <i>authorised payment institution</i></p>	<p>The highest of the tariffs set out in <i>FEES 3 Annex 8</i> which</p>	<p>On or before the date the application is made.</p>

<p>under regulation 5 of the <i>Payment Services Regulations</i></p> <p><u>A person who makes an application or notification to the FCA under the <i>Payment Services Regulations</i>, including an application for variation of authorisation or registration.</u></p>	<p>apply to that application.</p> <p><del>Where an application only involves a simple change of legal status as set out in FEES 3 Annex 1 Part 6, the fee payable is 50% of the tariff that would otherwise be payable in FEES 3 Annex 8R.</del></p> <p><u>The fee payable is that in the highest pricing category applicable to the application or notification as set out in FEES 3 Annex 8R.</u></p>	
<p>(ya) An applicant for registration as an account information service provider under regulation 17 of the <i>Payment Services Regulations</i>. [deleted]</p>	<p><del>FEES 3 Annex 8R, paragraph (2)(i).</del></p> <p><del>Where an application only involves a simple change of legal status as set out in FEES 3 Annex 1 Part 6, the fee payable is 50% of the tariff that would otherwise be payable in FEES 3 Annex 8R.</del></p>	<p>On or before the date the application is made.</p>
<p>(z) An application by a <i>small payment institution</i> for authorisation as an <i>authorised payment institution</i> because regulation 16 of the <i>Payment Services Regulations</i> applies [deleted]</p>	<p>The highest of the tariffs set out in FEES 3 Annex 8R which apply to that application.</p>	<p>On or before the date the application is made.</p>
<p>(za) An applicant for registration as a <i>small payment institution</i> under regulation 13 of the <i>Payment Services Regulations</i>. [deleted]</p>	<p><del>FEES 3 Annex 8R, paragraph (1). Where an application only involves a simple change of legal status as set out in FEES 3 Annex 1 R Part 6, the fee payable is 50% of the tariff that would</del></p>	<p>On or before the date the application is made.</p>

	otherwise be payable in <i>FEES 3</i> Annex 8R.	
<p>(zb) <del>An authorised payment institution applying to vary its authorisation under regulation 5 of the <i>Payment Services Regulations</i>. [deleted]</del></p>	<p>(1) <del>If prior to the variation the authorised payment institution is authorised to carry on any one or more of the payment services falling within paragraph (f), (g) or (h) of Part 1 of Schedule 1 to the <i>Payment Services Regulations</i> and the authorised payment institution is applying to extend its authorisation to include any one or more of the payment services in (a) to (e); the fee is 50% of the highest of the tariffs set out in <i>FEES 3</i> Annex 8R which apply to that application.</del></p> <p>(2) <del>Where the authorised payment institution already has authorisation to provide payment services within any one or more of paragraphs (a) to (e) of Part 1 of Schedule 1 to the <i>Payment Services Regulations</i> and wishes to add one or more other services in (a) to (f);</del></p> <p><del>the fee payable is £250 irrespective of the number of <i>agents</i> it has.</del></p>	<p><del>On or before the date the application is made.</del></p>

	<p>(3) Where the <i>authorised payment institution</i> already has authorisation to provide <i>payment services</i> within any one or more of paragraphs (a) to (f) of Part 1 of Schedule 1 to the <i>Payment Services Regulations</i> and wishes to add one or both of the services in (g) and (h) the fee payable is £750, irrespective of the number of agents it has.</p> <p>(4) In cases where the variation involves only the reduction (and no increases) of the types of <i>payment services</i> to be carried on after the variation, no fee is payable.</p>	
(zc) <del>A small payment institution applying to vary its registration under regulation 13 of the <i>Payment Services Regulations</i> [deleted]</del>	<p>(1) The fee is 50% of the tariff set out in <i>FEES 3 Annex 8R</i>, paragraph (1).</p> <p>(2) In cases where the variation involves only the reduction (and no increases) of the types of <i>payment services</i> to be carried on after the variation, no fee is payable.</p>	On or before the date the application is made.
...		
(zg) <del>An applicant for authorisation as an <i>authorised electronic money institution</i> under regulation 5 of the <i>Electronic Money Regulations</i>.</del>	<del>The amount set out in <i>FEES 3 Annex 10R</i>. Where an application only involves a simple change of legal status as set out in <i>FEES 3</i></del>	On or before the date the application is made.

<p><u>A person who makes an application or notification to the FCA under the Electronic Money Regulations, including an application for variation of authorisation or registration.</u></p>	<p><del>Annex 1R Part 6, the fee payable is 50% of the tariff that would otherwise be payable in FEES 3 Annex 10R.</del></p> <p><u>The fee payable is that in the highest pricing category applicable to the application or notification as set out in FEES 3 Annex 10R.</u></p>	
<p>(zh) <del>An applicant for registration as a small electronic money institution under regulation 12 of the Electronic Money Regulations. [deleted]</del></p>	<p><del>The amount set out in FEES 3 Annex 10R. Where an application only involves a simple change of legal status as set out in FEES 3 Annex 1R Part 6, the fee payable is 50% of the tariff that would otherwise be payable in FEES 3 Annex 10R.</del></p>	<p><del>On or before the date the application is made.</del></p>
<p>(zi) <del>An application by a small electronic money institution for authorisation as an authorised electronic money institution because regulation 16 of the Electronic Money Regulations applies. [deleted]</del></p>	<p><del>The amount set out in FEES 3 Annex 10R.</del></p>	<p><del>On or before the date the application is made.</del></p>
<p>(zj) <del>An authorised electronic money institution applying to vary its authorisation under regulation 8 of the Electronic Money Regulations. [deleted]</del></p>	<p><del>(1) Subject to (2) below, the fee is 50% of the tariff for an electronic money institution authorisation application set out in FEES 3 Annex 10R.</del></p> <p><del>(2) Where the authorised electronic money institution applies to vary its permission so as to be able to provide one or</del></p>	<p><del>On or before the date the application is made.</del></p>

	both of the payment services in paragraphs (g) and (h) of Part 1 of Schedule 1 to the <i>Payment Services Regulations</i> the fee payable is £750.	
(zk) <del>A small electronic money institution applying to vary its registration under regulation 12 of the <i>Electronic Money Regulations</i>.</del> [deleted]	The amount set out in <i>FEES 3 Annex 10R</i> .	On or before the date the application is made.
(zl) <del>An applicant for recognition as an accredited body.</del> [deleted]	2,500	On or before the date the application is made.
(zm) <del>An issuer applying for registration of a regulated covered bond.</del> [deleted]	(1) Unless (2) or (3) applies, 45,000.  (2) In the case of a proposed <i>covered bond</i> or <i>programme</i> where the <i>assets</i> in the <i>asset pool</i> will consist primarily of UK residential mortgages, 25,000.  (3) No fee is payable if the <i>issuer</i> satisfies the criteria set out in <i>FEES 4 Annex 2BR(5)(b)</i> .	On or before the date the application is made.
(zn) <del>An issuer who proposes to make a material change to the contractual terms of a regulated covered bond under <i>RCB 3.5.4D</i>.</del> [deleted]	(1) Unless (2) applies 6,500.  (2) No fee is payable if the <i>issuer</i> satisfies the criteria set out in <i>FEES 4 Annex 2BR(5)(c)</i> .	On or before the date the notification under <i>RCB 3.5.4D</i> is made.
...		
(zs) Applicant for <i>FCA</i> permission for an agreement to be enforced under section 28A(3)(a) and/or money paid or property transferred	(1) If the application is for permission for an agreement to be enforced under section 28A(3)(a) of the Act	On or before the date the application is made.

<p><del>under and agreement to be retained under 28A(3)(b) of the Act. [deleted]</del></p>	<p><del>and for permission for money paid or property transferred under an agreement to be retained under section 28A(3)(b) of the Act, the fee is £3,500 per type of agreement specified in the application.</del></p> <p><del>(2) If the application is for permission for an agreement to be enforced under section 28A(3)(a) of the Act only, the fee is £3,500 per type of agreement specified in the application.</del></p> <p><del>(3) If the application is for permission for money paid or property transferred under an agreement to be retained under section 28A(3)(b) of the Act only, the fee is £3,500 per type of agreement specified in the application.</del></p> <p><del>Where there are a number of agreements of the same type, only one fee is payable in respect of those agreements. A number of agreements are of the same type when those agreements are entered into on the same terms and conditions.</del></p>	
<p>...</p>		

<p>(zw) An applicant for authorisation under regulation 7 of the <i>DRS Regulations</i>, or the operator of a <i>trading venue</i> seeking verification of their compliance with the <i>DRS Regulations</i> under regulation 8 of those regulations or an applicant for variation of an authorisation under regulation 12 of the <i>DRS Regulations</i>. <u>[deleted]</u></p>	<p>Either (1), (2), or (3) applies as set out below:</p> <p>(1) If the applicant is applying for permission to operate <i>one data reporting service</i>, 5,000.</p> <p>(2) If the applicant is applying for permission to operate more than one <i>data reporting services</i>, 50% of the fee at (1) for each additional service plus the fee at (1).</p> <p>(3) If the applicant is applying for variation of an authorisation, 50% of the fee at (1) for each additional service.</p>	<p>On the date the application is made.</p>
<p>(zx) (1) Unless (2) applies, any <i>person</i> applying to connect to the <i>market data processor system</i> to make <i>transaction reports</i> directly to the <i>FCA</i> under <i>MiFIR</i>.</p> <p>(2) If a <i>person</i> has previously applied as stated in (zx)(1) above and has been connected then no further fee is payable for any further such applications. <u>[deleted]</u></p>	<p>(1) 20,000</p>	<p>On the date the application is made.</p>
<p>(zy) (1) Subject to (2) and (3) below, any <i>person</i> applying to connect to the <i>market data processor system</i> to provide <i>markets data (other than transaction reports)</i> under <i>MAR 10</i>.</p> <p>(2) If a <i>person</i> has previously applied as stated in (zy)(1) above and has been connected then no further fee is payable for any further</p>	<p>10,000</p>	<p>On the date the application is made.</p>

<p>such applications in relation to reporting the same data.</p> <p>(3) If a <i>person</i> has previously applied as stated in (zy)(1) above and makes a further application in relation to the provision of different data then a separate fee is payable for such application. [deleted]</p>		
<p>(zz) an applicant for registration under regulation 14 of the <i>Risk Transformation Regulations</i> as a <i>protected cell company</i>. [deleted]</p>	500	On or before the date the application is made.
<p>(zza) An application for authorisation as a <i>regulated benchmark administrator</i>.</p>	<p>The highest of the applicable tariffs set out in <del>FEES 3 Annex 1R</del> <u>FEES 3 Annex 1AR</u>.</p> <p>Where an applicant intends to <i>administer benchmarks</i> falling into different complexity groupings, it will pay one fee only, for the highest category applied for. If, once authorised, a <i>regulated benchmark administrator</i> notifies the <i>FCA</i> of its intention to administer other/additional <i>benchmarks</i> no further application fee is payable (even if the other/additional benchmark falls into a higher complexity category).</p>	On the date the application is made.
<p>(zzb) An application for recognition of an administrator in accordance with article 32 of the <i>benchmarks regulation</i>. [deleted]</p>	5,000	On the date the application is made.
<p>(zzc) An application for endorsement of a <i>benchmark</i> or family of <i>benchmarks</i> in accordance</p>	1,500	On the date the application is made.

with article 33 of the <i>benchmarks regulation</i> . [deleted]		
(zzd) applications for <i>claims management companies</i>	<p><del>(1) £1,200 for <i>claims management companies</i> with annual turnover of up to and including £1,000,000; and</del></p> <p><del>(2) £10,000 for <i>claims management companies</i> with annual turnover of over £1,000,000.</del></p> <p><u>The fee applicable to the application as set out in paragraph CMC of Part 2 of FEES 3 Annex 1R.</u></p> <p><i>Firms</i> which already have <i>Part 4A permissions</i> and are applying to vary their permissions will receive a <u>50% reduction in pay 50%</u> of the relevant fee.</p>	On the date the application is made.
(zze) <del>An application for authorisation as a <i>third party verifier</i></del> [deleted]	<p><del>(1) Unless (2) applies, 1,500.</del></p> <p><del>(2) <i>Firms</i> which already have <i>Part 4A permissions</i> will not receive a 50% reduction in the authorisation fee.</del></p>	On the date the application is made.
...		

### 3 Annex 1R

### Authorisation fees payable

Part 1 – Authorisation fees payable in the A, B, C, CC and CMC fee-blocks

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~~ in the pricing category applicable to the application as set out under:

(a) Part 1(a) below; or

(b) Part 2 below.

The fees applicable to *credit unions* are set out in Part 1b below.

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 Tables below set out the following:

(1) fees for applications by *credit unions* in Part 1(b) and *community finance organisations* in Part 1(a);

(2) ~~application fees in respect of the complexity groupings that relate to regulated activities that are not credit-related regulated activities;~~ and fees for applications in the A, B, C, CC and CMC fee-blocks in Part 2.

(3) ~~application fees in respect of the complexity groupings that relate to credit-related regulated activities.~~ [deleted]

<b>Part 1(a) Authorisation Fees payable to the FCA by <del>FCA-authorised persons</del> <u>community finance organisations</u></b>	
<b>Application type</b>	<b>Amount payable (£)</b>
(1) <i>Community finance organisations</i>	
(a) [deleted]	
(aa) <i>Community finance organisations</i> – where application is for a <i>Part 4A permission</i> limited to <i>permission to carry on credit-related activity</i>	200 <u>Pricing category 1 in FEES 3 Annex 1AR</u>

(ab) <i>Community finance organisations</i> – where application is for a <i>Part 4A permission</i> as a <i>home finance provider</i> or <i>home finance administrator</i>	300 <u>Pricing category 1 in FEES 3 Annex 1AR</u>				
(ac) <del><i>Community finance organisations</i> – where application is for <i>limited permission</i></del> [deleted]	(i) 100 if consumer credit annual income is between £0 – £50,000; and (ii) 200 if consumer credit annual income is more than £50,000				
...					
<del>(2) Complexity groupings not relating to <i>credit related regulated activities</i> – see Part 2</del> [deleted]					
(d) <del>Straightforward</del> [deleted]	1,500 (unless otherwise specified in Part 2)				
(e) <del>Moderately complex</del> [deleted]	5,000 (unless otherwise specified in Part 2)				
(f) <del>Complex</del> [deleted]	25,000				
<del>(3) Complexity groupings relating to <i>credit related regulated activity</i> – see Part 3</del> [deleted]					
	Consumer credit annual income (£)				
	0 – 50,000		> 50,000		
(g) <del><i>Limited permission</i></del> [deleted]	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 (£) [deleted]				
	0 – 50,000	> 50,000 – 100,000	> 100,000 – 50,000	> 250,000 – 1,000,000	> 1,000,000

(h) <del>Straightforward</del> <del>[deleted]</del>	600	750	1,000	1,500	5,000
(i) <del>Moderately complex</del> <del>[deleted]</del>	800	1,000	1,500	5,000	10,000
(j) <del>Complex</del> <del>[deleted]</del>	1,000	1,250	2,000	7,000	15,000
(4) <del>Complexity groupings relating to claims management companies</del> <del>[deleted]</del>					
(k) <del>Claims management companies with turnover of up to and including £1,000,000</del> <del>[deleted]</del>	1,200				
(l) <del>Claims management companies with turnover of over £1,000,000</del> <del>[deleted]</del>	10,000				
(5) <del>Complexity groupings relating to third party verifiers</del> <del>[deleted]</del>					
(m) <del>Third party verifiers</del> <del>[deleted]</del>	1,500				

<b>Part 1(b) Authorisation Fees payable to the FCA by PRA-authorized persons</b>	
<b>Application type</b>	<b>Amount payable (£)</b>
(1) <del>Credit unions</del>	
...	...
(2) <del>Complexity groupings not relating to credit-related regulated activities – see Part 2</del> <del>[deleted]</del>	
(d) <del>Straightforward</del> <del>[deleted]</del>	750 (unless otherwise specified in Part 2)
(e) <del>Moderately complex</del> <del>[deleted]</del>	2,500 (unless otherwise specified in Part 2)
(f) <del>Complex</del> <del>[deleted]</del>	12,500

(3) Complexity groupings relating to <del>credit related regulated activity</del> – see Part 3 <del>[deleted]</del>					
	Consumer credit annual income (£)				
	<del>0–50,000</del>		<del>&gt;50,000</del>		
(g) <i>Limited permission</i> <del>[deleted]</del>	50 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		250 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		
	<del>0–50,000</del>	<del>&gt;50,000–100,000</del>	<del>&gt;100,000–250,000</del>	<del>&gt;250,000–1,000,000</del>	<del>&gt;1,000,000</del>
(h) <i>Straightforward</i> <del>[deleted]</del>	300	375	500	750	2,500
(i) <i>Moderately complex</i> <del>[deleted]</del>	400	500	750	2,500	5,000
(j) <i>Complex</i> <del>[deleted]</del>	500	625	1,000	3,500	7,500
Part 2 – Complexity groupings not relating to <i>credit regulated activities</i> Pricing categories applicable to applications made in the following activity groupings in the A, B, C, CC and CMC fee blocks					
<del>Straightforward cases</del>					
Straightforward cases					
Activity grouping	Description	<u>Applicable pricing category in FEES 3 Annex 1AR</u>			
<u>A.1</u>	<i>Deposit acceptors (excluding e-money issuers and credit unions) and</i>	<u>7</u>			

	<u>dormant account fund operators</u>	
<u>A.2</u>	<u>Home finance providers and administrators</u>	<u>6</u>
A.3	<u>Friendly societies only</u>	<u>4</u>
	<u>UK ISPVs</u>	<u>6</u>
	<u>Insurers - general (excluding friendly societies and UK ISPVs</u>	<u>7</u>
A.4	<u>Friendly societies only</u>	<u>4</u>
	<u>Insurers - life (excluding friendly societies)</u>	<u>7</u>
<u>A.5</u>	<u>Managing agents at Lloyd's</u>	<u>5</u>
<u>A.7</u>	<u>Portfolio managers</u>	<u>6</u>
<u>A.9</u>	<u>Managers and depositories of investment funds, and operators of collective investment schemes or pension schemes</u>	<u>6</u>
A.10	<del>A firm to the extent it is bidding in emissions auctions</del> <u>Firms dealing as principal</u>	<u>6</u>
A.13	Advisors, arrangers, dealers or brokers	<u>4</u>
A.14	Corporate finance advisers	<u>4</u>
A.18	<u>Home finance providers, advisers</u>	<u>4</u>

	and <i>arrangers</i> (excluding <i>home finance providers</i> ).	
A.19	General insurance distribution	<u>4</u>
A.21	Holding client money or assets or both.	<u>4</u>
<u>A.23</u>	<u>Carrying on funeral plan distribution</u>	<u>4</u>
<u>A.23</u>	<u>Carrying out a funeral plan contract as provider</u>	<u>4</u>
<u>A.23</u>	<u>Carrying out a funeral plan contract as provider and entering as provider into a funeral plan contract</u>	<u>6</u>
B.	<i>Regulated benchmark administrators</i> where the applicant intends to administer a <i>non-significant benchmark</i>	<u>4</u>
<u>B.</u>	<u>Service companies</u>	<u>6</u>
<u>B.</u>	<u>Regulated benchmark administrators</u> where the applicant intends to administer: <ul style="list-style-type: none"> <li>- <u>a significant benchmark;</u></li> <li><u>or</u></li> <li>- <u>a commodity benchmark</u></li> </ul>	<u>6</u>

	<p>or an <u>interest rate benchmark</u> which has not been designated as a <u>critical benchmark</u>;</p> <p>or</p> <p>- a <u>regulated-data benchmark</u> other than one which is a <u>non-significant benchmark</u>.</p>	
<u>B.</u>	<u>MTF operators and OTF operators</u>	<u>8</u>
<u>B.</u>	<u>Regulated benchmark administrators</u> where the applicant intends to administer a <u>critical benchmark</u>	<u>8</u>
<u>CC1</u>	<u>Credit-related regulated activity – limited permission</u>	<u>2</u>
	<u>Not-for-profit debt advice body</u>	<u>No fee payable</u>
<u>CC2</u>	<p>(1) <u>Credit broking</u>;</p> <p>(2) <u>Providing credit information services</u>;</p> <p>(3) <u>Advising on regulated credit agreements for the acquisition of land</u>;</p> <p>(4) <u>Debt adjusting</u> where limited to:</p>	<u>3</u>

	<p><u>(i) no debt management plans;</u></p> <p><u>(ii) settlement sale of goods; or</u></p> <p><u>(iii) settlement vehicle finance.</u></p> <p><u>(5) Debt counselling where limited to:</u></p> <p><u>(i) no debt management plans;</u></p> <p><u>(ii) settlement sale of goods; or</u></p> <p><u>(iii) settlement vehicle finance.</u></p>	
	<p><u>(1) Debt administration;</u></p> <p><u>(2) Debt collecting;</u></p> <p><u>(3) Entering into a regulated consumer hire agreement as owner;</u></p> <p><u>(4) Entering into a regulated credit agreement as lender (excluding in relation to high-cost short-term credit, bill of sale loan agreements and home credit loan agreements);</u></p> <p><u>(5) Exercising, or having the right to</u></p>	<p><u>5</u></p>

	<p><u>exercise, the owner's rights and duties under a regulated consumer hire agreement;</u></p> <p><u>(6) Exercising, or having the right to exercise, the lender's rights and duties under a regulated credit agreement (excluding in relation to high-cost short-term credit, bill of sale loan agreements and home credit loan agreements);</u></p> <p><u>(7) Operating an electronic system in relation to lending.</u></p>	
<p><u>CC.2</u></p>	<p><u>(1) Debt adjusting except where limited to:</u></p> <p style="padding-left: 40px;"><u>(i) no debt management plans;</u></p> <p style="padding-left: 40px;"><u>(ii) settlement sale of goods; or</u></p> <p style="padding-left: 40px;"><u>(iii) settlement vehicle finance.</u></p> <p><u>(2) Debt counselling except where limited to:</u></p> <p style="padding-left: 40px;"><u>(i) no debt management plans;</u></p>	<p><u>6</u></p>

	<p><u>(ii) settlement sale of goods;</u> <u>or</u></p> <p><u>(iii) settlement vehicle finance.</u></p> <p><u>(3) Entering into a regulated credit agreement as lender in relation to high-cost short-term credit, bill of sale loan agreements and home credit loan agreements;</u></p> <p><u>(4) Exercising, or having the right to exercise, the lender’s rights and duties under a regulated credit agreement in relation to high-cost short-term credit, bill of sale loan agreements and home credit loan agreements;</u></p> <p><u>(5) Providing credit references.</u></p>	
<p><u>CMC</u></p>	<p><u>Claims management companies applying only for the permission of seeking out persons who may have a claim.</u></p>	<p><u>4</u></p>
	<p><u>Claims management companies applying for any other permission</u></p>	<p><u>6</u></p>

Moderately Complex Cases [deleted]	
Moderately complex cases [deleted]	
Activity grouping	Description
[deleted]	[deleted]
A.2	<i>Home finance providers and administrators.</i>
A.3	<i>UK ISPVs</i>
[deleted]	[deleted]
A.5	<i>Managing agents at Lloyd's</i>
A.7	<i>Portfolio managers</i>
A.9	<i>Managers and depositaries of investment funds, and operators of collective investment schemes or pension schemes</i>
A.10	<i>Firms dealing as principal, except to the extent the firm is bidding in emissions auctions</i>
B.	<i>Service companies</i>
B.	<p><i>Regulated benchmark administrators where the applicant intends to administer:</i></p> <ul style="list-style-type: none"> <li><i>—a significant benchmark; or</i></li> <li><i>—a commodity benchmark or an interest rate benchmark which has not been designated as a critical benchmark; or</i></li> <li><i>—a regulated data benchmark other than one which is a non-significant benchmark.</i></li> </ul>
Complex Cases [deleted]	
Complex cases [deleted]	

Activity grouping	Description
A.1	<del>Deposit acceptors (excluding <i>e-money issuers</i> and <i>credit unions</i>) and <i>dormant account fund operators</i></del>
A.3	<del>Insurers—general (excluding <i>friendly societies</i> and <i>UK ISPVs</i>)</del>
A.4	<del>Insurers—life (excluding <i>friendly societies</i>)</del>
B	<del>MTF operators and OTF operators</del>
B.	<del>Regulated benchmark administrators where the applicant intends to administer a <i>critical benchmark</i></del>
<b>Part 3—Complexity Groupings relating to <i>credit-related regulated activity</i></b>	
<del>Straightforward cases [deleted]</del>	
<del>Activity grouping</del>	<del>Description [deleted]</del>
CC.2	<del><i>Credit broking;</i> <i>Providing credit information services;</i> <i>Advising on regulated credit agreements for the acquisition of land</i></del>
<del>Moderately complex cases [deleted]</del>	
<del>Activity grouping</del>	<del>Description [deleted]</del>
CC.2	<del><i>Debt administration</i> <i>Debt collecting</i> <i>Entering into a regulated consumer hire agreement as owner</i> <i>Entering into a regulated credit agreement as lender (excluding in relation to high-cost short-term credit, bill of sale loan agreements and home credit loan agreements)</i> <i>Exercising, or having the right to exercise, the owner's rights and duties under a regulated consumer hire agreement</i> <i>Exercising, or having the right to exercise, the lender's rights and duties under a regulated credit agreement (excluding in relation to</i></del>

	<i>high-cost short-term credit, bill of sale loan agreements and home credit loan agreements)</i>  <i>Operating an electronic system in relation to lending</i>
<del>Complex cases [deleted]</del>	
<b>Activity grouping</b>	<del>Activity grouping [deleted]</del>
CC.2	<i>Debt adjusting</i>  <i>Debt counselling</i>  <i>Entering into a regulated credit agreement as lender in relation to high-cost short-term credit, bill of sale loan agreements and home credit loan agreements</i>  <i>Exercising, or having the right to exercise, the lender's rights and duties under a regulated credit agreement in relation to high-cost short-term credit, bill of sale loan agreements and home credit loan agreements</i>  <i>Providing credit references</i>  <del><i>Operating an electronic system in relation to lending</i></del>

<del>Part 3A— Pricing categories applicable to applications made in the following activity groupings in the A.23 fee block [deleted]</del>		
<b>Activity grouping</b>	<b>Description</b>	<b>Amount payable (£)</b>
A.23	<i>Carrying on funeral plan distribution</i>	2,500
	<i>Carrying out a funeral plan contract as provider</i>	2,500
	<i>Carrying out a funeral plan contract as provider and entering as provider into a funeral plan contract.</i>	10,000
...		

After FEES 3 Annex 1R (Authorisation fees payable), insert the following new section, FEES 3 Annex 1AR. The text is not underlined.

<b>3 Annex 1AR</b>	<b>FCA pricing categories</b>
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Category	Price
Category 1	£250
Category 2	£500
Category 3	£1,000
Category 4	£2,500
Category 5	£5,000
Category 6	£10,000
Category 7	£25,000
Category 8	£50,000
Category 9	£100,000
Category 10	£200,000

Amend the following as shown.

**3 Annex 2R Application and notification fees payable in relation to collective investment schemes, LTIFs, money market funds and AIFs marketed in the UK**

Legislative provision	Nature and purpose of fee	Payable by	Amount of fee (£) <u>Applicable pricing category in FEES 3 Annex 1AR</u>	Umbrella factor (note 1)
Part 1 [deleted]				
...				
Part 2 Application fees payable for firms to be subject to <i>COLL</i>				

<p>(1) Regulation 12 of the <i>OEIC Regulations</i>, application for order declaring a <i>scheme</i> to be an <i>ICVC</i></p> <p>This section applies to funds where an application is also made to be authorised under the <i>Money Market Funds Regulation</i>.</p>	On application for an order <del>declaring a <i>scheme</i> to be an <i>ICVC</i></del> , where the <i>scheme</i> is a:	An applicant		2
	<i>UCITS scheme</i>		1,200 <u>4</u>	
	<i>Non-UCITS retail scheme</i>		1,500 <u>4</u>	
	<i>Qualified investor scheme</i>		2,400 <u>5</u>	
	<i>Long-term asset fund</i>		2,400 <u>5</u>	
<p>(2) Section 242 of the <i>Act</i>, application for order declaring a <i>scheme</i> to be an <i>AUT</i></p> <p>(3) Section 261C of the <i>Act</i>, application for order declaring a <i>scheme</i> to be an <i>ACS</i>, whether it is established as a <i>co-ownership scheme</i> or a <i>limited partnership scheme</i></p> <p>(1), (2) and (3) also apply to funds where an application is also made to be authorised under the <i>Money Market Funds Regulation</i></p> <p><del>Section 242 of the <i>Act</i></del></p> <p>This section also applies to funds where an application is also made to be authorised under the <i>Money Market Funds Regulation</i></p>	On application for an order declaring a <i>scheme</i> to be an <i>AUT</i> , where the <i>scheme</i> is a:	An applicant		2
	<i>UCITS scheme</i>		1,200 <u>4</u>	
	<i>Non-UCITS retail scheme</i>		1,500 <u>4</u>	
	<i>Qualified investor scheme</i>		2,400 <u>5</u>	
	<i>Long-term asset fund</i>		2,400 <u>5</u>	
Section 261C of the <i>Act</i>	On application for an order declaring a <i>scheme</i> to be an <i>ACS</i> , whether it is	An applicant		2

This section applies to funds where an application is also made to be authorised under the <i>Money Market Funds Regulation</i>	established as a co-ownership scheme or a limited partnership scheme, where the scheme is a:			
	<i>UCITS scheme</i>		1,200 <u>4</u>	
	<i>Non-UCITS retail scheme</i>		1,500 <u>4</u>	
	<i>qualified investor scheme</i>		2,400 <u>5</u>	
	<i>long-term asset fund</i>		2,400 <u>5</u>	
Section 272 of the <i>Act</i>	On application for an order declaring a <i>scheme</i> to be recognised where the <i>scheme</i> is:	An applicant		2
	a <i>non-UK AIF</i> or <i>AIF</i> equivalent to a <i>UK UCITS, non-UCITS retail scheme, a qualified investor scheme</i> or a <i>long-term asset fund</i>		8,000 <u>6</u>	
	Where funds of any kind set out in Part 2 exist prior to 21 July 2018, a flat fee will be payable on an application for authorisation under the <i>Money Market Funds Regulation</i>		300 <u>1</u>	
Part 2A Application fees payable for firms applying for a UK AIF to be authorised under the ELTIF regulation				
Article 5 of the <i>ELTIF regulation</i>	On application for an <i>AIF</i> to be authorised under the <i>ELTIF regulation</i>	An applicant	2,400 <u>5</u>	2
Part 2B Application fees payable for UK or non-EEA firms applying for authorisation under article 5 of the Money Market Funds Regulation				
Article 5 of the <i>Money Market Funds Regulation</i>	<i>UK AIF</i> (apart from those authorised as a <i>non-UCITS retail scheme, a qualified investor scheme</i> or a <i>long-term asset fund</i> )		500 <u>2</u>	

	<i>Non-UK AIF</i> which is marketed in the <i>UK</i>		750 <u>3</u>	
	<i>Non-UK AIF</i> which is not marketed in the <i>UK</i>		500 <u>2</u>	
	<i>Non-UK AIF</i> which is not managed by an <i>AIFM</i> but is marketed in the <i>UK</i>		750 <u>3</u>	
Part 3 (notifications)				
Section 264 of the <i>Act</i>	On giving notice under section 264 of the <i>Act</i>	The <i>operator</i>	600 <u>3</u>	2
Part 4 (Alternative Investment Funds: fees payable for making a notification to the FCA to market an AIF)				
<u>Regulation 10 of the <i>AIFMD UK regulation</i></u>	<u>Application for registration on the register of small registered <i>UK AIFMs</i></u>	<u>the <i>AIFM</i></u>	<u>3</u>	<u>N/A</u>
Regulation 57 of the <i>AIFMD UK regulation</i>	On giving notice under regulation 57 of the <i>AIFMD UK regulation</i> = <u>price payable per AIF</u>	the <i>AIFM</i>	250 per AIF <u>1</u>	N/A
Regulation 58 of the <i>AIFMD regulation</i>	On giving notice under regulation 58 of the <i>AIFMD UK regulation</i> = <u>price payable per AIF</u>	the <i>AIFM</i>	<del>125 per AIF</del> <u>1</u>	N/A
Regulation 59 of the <i>AIFMD regulation</i>	On giving notice under regulation 59 of the <i>AIFMD UK regulation</i> = <u>price payable per AIF</u>	the <i>AIFM</i>	250 per AIF <u>1</u>	N/A
	...			
Part 5 (Administration fee for money market funds that exist prior to 21 July 2018 which need to apply for authorisation by the FCA by 21 January 2019)				
Article 4 of the <i>Money Market Funds Regulation</i>	On application by an existing	21 July 2018	300 <u>1</u>	2

	money market fund which from 21 July 2018 seeks to be authorised under the <i>Money Market Funds Regulation</i>			
...				

**3 Annex  
3R**
**Application fees payable in connection with Recognised Investment Exchanges and Recognised Auction Platforms**

Description of applicant	<del>Amount payable</del> Applicable pricing category in FEES 3 <u>Annex 1AR</u>	Due date
Part 1 (UK recognised bodies)		
Applicant for recognition as a <i>UK RIE</i>	100,000 <u>10</u>	Date the application is made
...		
Additional fees for a <i>UK RIE</i> applicant who proposes to:		
- offer safeguarding and administration services	25,000 <u>8</u>	Date the application is made
- use substantially new and untested information technology systems in the performance of its relevant functions	25,000 <u>8</u>	Date the application is made
Part 2 ( <i>ROIEs</i> )		

Applicant for recognition as a recognised overseas investment exchange	50,000 <u>9</u>	Date the application is made
Additional fees for applicant who proposes to:		
- offer safeguarding and administration services	25,000 <u>8</u>	Date the application is made

...

**3 Annex 8R Fees payable under the Payment Services Regulations, including for authorisation as an authorised payment institution, or registration as a small payment institution, including notification fees and fees for variation of authorisation and registration, in accordance with the Payment Services Regulations**

~~Authorisation and registration fees payable~~ Where an application involves a simple change of legal status as set out in FEES 3 Annex 1 Part 6, the fee payable is 50% of the tariff that would otherwise be payable.

Where more than one fee is applicable to an application, the tariff payable is the highest of the applicable tariffs.

Application type for authorisation, registration and notification under Part 2 of the Payment Services Regulations	Amount payable <u>Applicable pricing category in FEES 3 Annex 1AR</u>
(1) <i>small payment institution</i>	500 <u>2</u>
(2) <i>authorised payment institution</i> - where the applicant is applying for authorisation to provide payment services in paragraph(s) (f) (money remittance) and/or (g) (payment initiation services) and/or (h) (account information services) of Part 1 of Schedule 1 to the Payment Services Regulations	1,500 <u>4</u>
(2)(i) <i>registered account information service provider</i> - where the applicant is applying for registration to provide payment services in paragraph (h) (account information services) of Part 1 of Schedule 1 to the Payment Services Regulations only	1,500 <u>3</u>

<p>(3) <i>authorised payment institution</i> - where the applicant is applying for authorisation to provide <i>payment services</i> in any one or more of paragraph(s):</p> <p>...</p>	<p>5,000 <u>5</u></p>
<p>...</p>	
<p>(6) A <i>person</i> (service provider) - where, during the course of the <i>FCA</i> financial year (12 months ending 31 March) that <i>person</i> notifies the <i>FCA</i> under regulation 38 of the <i>Payment Services Regulations</i> of its use of the limited network exclusion <u>or the electronic communications exclusion</u></p> <p><u>[Note: If the <i>FCA</i> determines that the claim for exemption is not valid and the business must apply for authorisation or registration, then the latest exemption charge paid by the business will be deducted from the relevant application fee.]</u></p>	<p>300 <u>1</u></p> <p>If the <i>FCA</i> determines that the claim for exemption is not valid and the business must apply for authorisation or registration, then the latest exemption charge paid by the business will be deducted from the relevant application fee.</p>
<p><del>(7) A <i>person</i> (service provider) — where, during the course of the <i>FCA</i> financial year (12 months ending 31 March), that person notifies the <i>FCA</i> under regulation 39 of the <i>Payment Services Regulations</i> of its use of the electronic communications exclusion [deleted]</del></p>	<p>200</p> <p><del>If the <i>FCA</i> determines that the claim for exemption is not valid and the business must apply for authorisation or registration, then the latest exemption charge paid by the business will be deducted from the relevant application fee.</del></p>
<p><u>(8) The fees set out in paragraphs (8)(a), (b) and (c) are applicable to an <i>authorised payment institution</i> applying to vary its authorisation under regulation 5 of the <i>Payment Services Regulations</i> where the <i>authorised payment institution</i> is applying to increase the <i>payment services</i> that it is permitted to carry on. The fees in these paragraphs are irrespective of the number of agents the applicant has.</u></p>	

(a)	If the <i>authorised payment institution</i> is authorised to carry on <i>payment services</i> in paragraphs (f), (g) or (h) of Part 1 of Schedule 1 to the <i>Payment Services Regulations</i> and is applying to extend its authorisation to include any one or more of the <i>payment services</i> in (a) to (e) of Part 1 of Schedule 1.	<u>50% of 4</u>
(b)	If the <i>authorised payment institution</i> is authorised to carry on <i>payment services</i> in paragraphs (a) to (e) of Part 1 of Schedule 1 to the <i>Payment Services Regulations</i> and is applying to add one or more of the services in (a) and (f).	<u>50% of 4</u>
(c)	If the <i>authorised payment institution</i> is authorised to carry on <i>payment services</i> in paragraphs (a) to (f) of Part 1 of Schedule 1 to the <i>Payment Services Regulations</i> and is applying to add one or both services in (g) and (h).	<u>50% of 4</u>
	<u>These charges are irrespective of the number of agents the applicant has.</u>	
	<u>(9) Variation of registration under regulation 13 of the <i>Payment Services Regulations</i> where the small payment institution is applying to increase the payment services that it is permitted to carry on.</u>	<u>50% of 2</u>
Note: See <i>FEES</i> TP 17 for transitional provisions relating to fees payable for authorisation as an authorised payment institution or registration as a small payment institution under the <i>Payment Services Regulations 2017</i> (SI 2017/752).		

...	
<b>3 Annex 10R</b>	<b>Fees payable <u>under the <i>Electronic Money Regulations</i>, including for authorisation as an authorised electronic money institution, or registration as a small electronic money institution or variation thereof, including and notification fees, in accordance with the <i>Electronic Money Regulations</i></u></b>
Authorisation, registration and variation fees payable	

Application type for authorisation, registration, variation or notification under Part 2 of the <i>Electronic Money Regulations</i>	<u>Amount payable</u> <u>Applicable pricing</u> <u>category in FEES 3</u> <u>Annex 1AR</u>
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(1)	<i>small electronic money institution</i>	1,000 <u>3</u>
(2)	<i>authorised electronic money institution</i>	5,000 <u>5</u>
...		
(5)	<u>An authorised electronic money institution applying to vary its authorisation under regulation 8 of the <i>Electronic Money Regulations</i>.</u>	
(a)	<u>Subject to (5)(b) below, where the <i>authorised electronic money institution</i> is applying to vary its authorisation to increase the services that it can carry on.</u>	<u>50% of 5</u>
(b)	<u>Where the <i>authorised electronic money institution</i> applies to vary its authorisation to provide one of both of the one or both of the <i>payment services</i> in paragraphs (g) and (h) of Part 1 of Schedule 1 to the <i>Payment Services Regulations</i>.</u>	<u>50% of 4</u>
(6)	<u>A <i>small electronic money institution</i> applying for a variation of registration under regulation 12 of the <i>Electronic Money Regulations</i>.</u>	<u>50% of 3</u>

<b>3 Annex 10AR Fees payable for registration as a CBTL firm under article 9 of the MCD Order</b>	
<b>Application type for registration under article 9 of the MCD Order</b>	<b>Amount payable <u>Applicable pricing category in FEES 3 Annex 1AR</u></b>
(1) An applicant who, at the time of application, holds a <i>Part 4A permission</i> or <i>interim permission</i> and has not had a registration as a <i>CBTL firm</i> revoked under article 13 of the <i>MCD Order</i> .	£100 <u>1</u>
(2) An applicant who, at the time of application,  (a) does not hold a <i>Part 4A permission</i> or <i>interim permission</i> ; or  (b) has previously held a registration as a <i>CBTL firm</i> which was revoked under article 13 of the <i>MCD Order</i> .	£500 <u>2</u>

...	
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After FEES 3 Annex 13R (Fees payable for registration as a credit rating agency, trade repository or securitisation repository), insert the following new annexes, FEES 3 Annex 14R, FEES 3 Annex 15R and FEES 3 Annex 16R. This text is not underlined.

3 Annex 14R		Other FCA application fees	
	Application type	Pricing category in FEES 3 Annex 1AR	Due date
1	Any person seeking an order under section 326(1) of the <i>Act</i> to become a <i>designated professional body</i>	6	30 days after the order is granted
2	Any applicant to be added to the list of designated investment exchanges	9	On or before the date the application is made
3	Any applicant for recognition as an <i>accredited body</i>	4	On or before the date the application is made
4	Any applicant for registration under regulation 14 of the <i>Risk Transformation Regulations</i> as a <i>protected cell company</i>	2	On or before the date the application is made
5	Applications under the <i>benchmarks regulation</i>		
	(a) recognition of an administrator in accordance with article 32 of the <i>benchmarks regulation</i>	5	On the date the application is made
	(b) endorsement of a <i>benchmark</i> or family of <i>benchmarks</i> in accordance with article 33 of the <i>benchmarks regulation</i>	3	On the date the application is made
6	Applications under the <i>Data Reporting Services Regulations</i> in relation to <i>MiFID</i> and/or <i>MiFIR</i> and/or <i>MAR</i>		

	(a)	Application for authorisation under regulation 7 of the <i>DRS Regulations</i> , or the operator of a <i>trading venue</i> seeking verification of their compliance with Title V of <i>MiFID</i> under regulation 8 of the <i>DRS Regulations</i> . The pricing categories in either (a)(i), (ii) or (iii) below apply		
		(i) Application to operate one <i>data reporting service</i> , plus 50% of the fee for each additional service applied for	5	On the date the application is made
		(ii) Application to operate more than one data reporting services	50% of 5 for each additional service plus 5	
		(iii) Variation of an authorisation under regulation 12 of the <i>DRS Regulations</i>	50% of 5	
	(b)	Application to connect to the <i>market data processor system</i> to provide reports directly to the <i>FCA</i> under <i>MiFIR</i> , subject to (b)(i) below	7	On the date the application is made
		(i) If a person has previously applied as stated in (d) and had been connected then no further fee is payable for any further applications		
	(c)	Application to connect to the <i>market data processing system</i> to provide <i>markets data (other than transaction reports)</i> under <i>MAR 10</i> , subject to (c)(i) and (ii) below	6	On the date the application is made
		(i) If a <i>person</i> has previously applied as stated in (c) above and has been connected, then no further fee is payable for any further such applications in relation to reporting the same data		

	(ii)	If a person has previously applied as stated in (c) above and makes a further application in relation to the provision of different data, then a separate fee is applicable for such an application	Category 6 fee for each application	On the date the application is made
7		An application for authorisation as a <i>third party verifier</i>	3	On the date the application is made

<b>3 Annex 15R FCA Transaction Fees</b>				
	<b>Application type</b>		<b>Pricing category in FEES 3 Annex 1AR</b>	<b>Due date</b>
1	Any applicant for a certificate under <i>article 54</i> of the <i>Regulated Activities Order</i>		4	On or before the date the application is made
2	A <i>transferor</i> in an <i>insurance business transfer scheme</i> :			
	(a)	<i>Insurance business transfer scheme involving long-term insurance business</i>	7	On or before the date any application is made for the appointment of a person as an <i>independent expert</i>
	(b)	<i>Insurance business transfer scheme not involving long-term insurance business</i>	6	
<p>[<b>Note:</b> for the purpose of this charge, an insurance business transfer scheme consists of a single transferor and a single transferee.</p> <p>Where a scheme is part of a single larger scheme, that larger scheme is treated as a single insurance business transfer scheme. If an insurance business transfer scheme includes more than one transferor, they are liable to pay the fee under column (2) jointly.]</p>				
4	<i>Regulated Covered Bonds</i>			
	(a)	An <i>issuer</i> applying for registration of a <i>regulated covered bond</i> :		

	(i)	When the assets in the asset pool will consist primarily of UK residential mortgages	7	On or before the date the application is made
	(ii)	Any other application for registration	8	
	(c)	An issuer who proposes to make a material change to the contractual terms of a regulated covered bond under RCB 3.5.4D	5	On or before the date the notification under RCB 3.5.4D is made
5	Validation Orders			
	Any applicant for <i>FCA</i> permission for an agreement to be enforced under section 28A(3)(a) and/or money paid or property transferred under an agreement to be retained under and agreement to be retained under section 28A(3)(b) of the <i>Act</i> is charged according to the total value of the agreements specified in the application. Payment must be made on or before the application is made.			
	Value of agreements			
	Up to £500,000		3	On or before the date the application is made
	Above £500,000 - £750,000		4	
	Above £750,000 - £1,000,000		5	
	Above £1,000,000-£7,500,000		6	
	Over £7,500,000		7	

### 3 Annex 16R Fees for an application for variation of permission

The fee relevant to the application is due on or before the date the application is made.

Application type	Applicable pricing category in FEES 3 Annex 1AR
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1	Reduction in the scope of the applicant's permissions and no other increases	N/A
Where the application is to increase permissions:		
2	Unless (4)-(11) applies, an application for a variation of <i>Part 4A permission</i> within:	
	(a) Fee-blocks A.1, A.3, A.4, A.5	Category 1
	(b) Any other fee-block	Category 2
3	The proposed new business falls within an activity group specified in <i>FEES 4 Annex 1R</i> within which the applicant does not already hold any permission	50% of the highest pricing category relevant to the application
4	The proposed new business falls within an activity group specified in <i>FEES 3 Annex 1R</i> within which the applicant does not already hold any permission	50% of the highest pricing category relevant to the application
5	Credit-related permissions	
	(a) Activity group CC1 – any applicant which already holds a limited permission and applies for:	
	(i) Another limited permission activity	No fee payable
	(ii) Any other credit-related permission	100% of highest pricing category relevant to the application.
	(b) Activity group CC2 – any applicant which already holds a permission within activity group CC2 and applies for another permission within CC2	50% of the highest pricing category
	(c) <i>Community finance organisations</i> and <i>credit unions</i>	50% of the highest pricing category relevant to the application
6	Any applicant in activity group A.1 which applies for the permissions of <i>meeting of repayment claims</i> or <i>managing dormant account funds (including the investment of such funds)</i>	50% of the highest pricing category relevant to the application

7	<i>Credit union</i> applying to vary its permission for:		
	(a)	credit-related activity	£50
	(b)	any other activity	£75
8	Simple change of legal status (see definition in <i>FEES 3</i> Annex 1R Part 6)		50% of the highest pricing category relevant to the application
9	Application by <i>MTF</i> operator to become an <i>OTF</i> operator or an <i>OTF</i> operator to become an <i>MTF</i> operator		50% of Category 8
10	Notification of the intention of a <i>regulated benchmark administrator</i> to administer benchmarks additional to those included in its original application for authorisation		0

Amend the following as shown.

**App 4      Application fee payable by cryptoasset businesses registered under the  
Annex 1      Money Laundering Regulations**

...

(1)	Registration fee:
<i>Cryptoasset business</i> with revenue up to and including £250,000	£2,000
<i>Cryptoasset business</i> with revenue over £250,000	£10,000 <u>Category 6</u>

[**Note:** Regulation 102 of the *Money Laundering Regulations*]

