Temporary Permissions Regime (TPR) and Financial Service Contracts Regime (FSCR) – periodic fees

Chapter 4A

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Special Project Fee for restructuring

R	(1)		The Special Project Fee for restructuring (the SPFR) is only payable by a <i>TP</i> firm or <i>TA PI firm</i> in one of the following categories:
		(a)	if it is in any of the A fee-blocks (as defined in Part 1 of FEES 4 Annex 1AR); or
		(b)	if it is in fee-block G.3 (as defined in FEES 4 Annex 11R).
R	(2)		The SPFR becomes payable by a <i>TP firm</i> or <i>TA PI firm</i> falling into (1)(a) or (b) if it engages in, or prepares to engage in, activity which involves it undertaking or making arrangements with a view to any of the following:
		(a)	raising additional capital; or
		(b)	a significant restructuring of the <i>TP firm</i> or <i>TA PI firm</i> or the <i>group</i> to which it belongs, including:
			(i) mergers or acquisitions;
			(ii) reorganising the TP firm's or TA PI firm's group structure;
			(iv) a significant change to the TP firm's or TA PI firm's business model; and
			(v) a significant internal change programme.
R	(3)		No SPFR is payable under (2) if the transaction only involves the <i>TP firm</i> or <i>TA PI firm</i> seeking to raise capital within the <i>group</i> to which it belongs.
R	(4)		Where the transaction in (2) involves raising capital outside the <i>TP firm</i> or <i>TA PI firm</i> to which the <i>TP firm</i> or <i>TA PI firm</i> belongs, any SPFR in relation to that transaction is only payable by the largest <i>TP firm</i> or <i>TA PI firm</i> in that <i>group</i> . The largest <i>firm</i> is the one that pays the highest periodic fee in the <i>fee year</i> in which the bill is raised. For the purpose of the calculation in (9), all time spent and fees and disbursements incurred in relation to the <i>group</i> are added together.
R	(5)		The definition of group is limited for the purposes of calculating the SPFR to parent undertakings and their subsidiary undertakings.
R	(6)		The FCA will levy its own SPFR separate to any levy issued by the PRA, and this may be in relation to the same event or circumstance.
R	(7)		No SPFR is payable to the FCA:
		(a)	if the amount calculated in accordance with (8) in relation to the regulatory work conducted by the FCA totals less than £25,000 in the case of a TP firm in fee-blocks A.1 or A.3 or A.4, or £50,000 in the case of a TP firm in any of the other A fee-blocks; or
		(b)	for time spent giving <i>guidance</i> to the <i>TP firm</i> or <i>TA PI firm</i> in relation to the same matter if the <i>FCA</i> has charged that <i>TP firm</i> or <i>TA PI firm</i> for that <i>guidance</i> .
R	(8)		The SPFR for the FCA is calculated as follows:
		(a)	Determine the number of hours, or part of an hour, taken by the FCA in relation to regulatory work conducted as a consequence of the activities referred to in (2).
		(b)	Next, multiply the applicable rate in the table at (11) by the number of hours or part hours obtained under (a).

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(12)

		(c)	Then add any fees and disbursements invoiced to the FCA spect of services performed by that person for the FCA in the FCA in performing the regulatory work referred to in	relation to assisting		
		(d)	The resulting figure is the fee.			
		(e)	The number of hours or part hours referred to in (a) are or part hours as recorded on the FCA's systems in relation work referred to in (a).			
R	(9)	The first column in the table at (10) sets out the relevant pay grades of those employed by the FCA and the second column sets out the hourly rates chargeable in respect of those pay grades.				
R	(10)	Table o	ole of FCA hourly rates:			
			FCA pay grade	Hourly rate (£)		
			Administrator	45		
			Associate	75		
			Technical Specialist	130		
			Manager	145		
			Any other person employed by the FCA	255		
G	(11)	The obligation to pay the SPFR is ongoing. Accordingly, there is no limitation on the number of times that the FCA may invoice a TP firm or TA PI firm for the SPFR in relation to the same events or circumstances referred to in (2). If the FCA does so, there is a single floor under (7)(a) and not a separate one for each instalment.				

If the SPFR is payable, the full amount calculated under (8) is payable, and not just the excess over £50,000 or £25,000.