

**COMPLAINTS SOURCEBOOK (FINANCIAL OMBUDSMAN SERVICE GENERAL
AND SUPPLEMENTARY LEVIES 2002/2003) INSTRUMENT 2002**

Powers exercised

A. The Financial Services Authority amends the Complaints sourcebook ('DISP') in the exercise of the following powers and related provisions in the Financial Services and Market Act 2002 (the "Act"):

- (1) section 138 (General rule making power);
- (2) section 156 (General supplementary powers);
- (3) section 157(1) (Guidance); and
- (4) section 234 (Funding).

B. The provisions of the Act relevant to rules and listed above are specified for the purpose of section 153(2) of the Act (Rule-making instruments).

Commencement

C. This instrument comes into force on 1 April 2002.

Amendment of the Complaints sourcebook

D. The Complaints sourcebook is amended:

(1) by inserting, after Chapter 4 of DISP, the provisions in Annex A to this instrument, except for the following provisions which are to be or have been made exclusively by the Financial Ombudsman Service Limited and not by the Financial Services Authority:

- (a) DISP 5.1.6R;
- (b) DISP 5.6.1R;
- (c) DISP 5.6.3R;
- (d) DISP 5.6.4R;
- (e) DISP 5.6.6R;

- (f) DISP 5.6.7R;
- (g) DISP 5.6.8R;
- (h) DISP 5.6.10R;
- (i) DISP 5.6.11R;
- (j) DISP 5.6.12R;
- (k) DISP 5.8.2R;
- (l) DISP 5.8.4R;
- (m) DISP 5.10.1R;
- (n) part 3 DISP 5 Ann1R; and
- (o) part 4 DISP 5 Ann1R; and

(2) in accordance with Annex B to this instrument.

Amendment of the Glossary

E. The Glossary is amended in accordance with Annex C to this instrument.

Citation

F. This instrument may be cited as the Complaints Sourcebook (Financial Ombudsman Service General and Supplementary Levies 2002/2003) Instrument 2002.

By order of the Board

21 March 2002

Annex A

Chapter 5

Financial Ombudsman Service Funding Rules

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5.1 Application

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This chapter applies to:

- (1) every *firm* which is subject to the *Compulsory Jurisdiction* of the *Financial Ombudsman Service*; and
- (2) every other *person* who is subject to the *Compulsory Jurisdiction* in relation to *relevant complaints*.

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The relevant provisions of *DISP 5* are applied to *VJ participants* by the *standard terms* (see *DISP 4*).

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References in this chapter to "*firms*" are to be construed, where relevant, as including:

- (1) in accordance with the *Ombudsman Transitional Order*, *unauthorised persons* subject to the *Compulsory Jurisdiction* in relation to *relevant complaints* (see *Transitional Provisions 6 and 7*); and
- (2) as a result of section 226 of the *Act*, *unauthorised persons* who were formerly *firms* in respect of complaints about acts or omissions which occurred at the time when they were *firms*, provided that the *Compulsory Jurisdiction* rules were in force in relation to the activity in question.

Exemption

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A *firm* which is exempt under *DISP 1.1.7R* is also exempt from *DISP 5.2* to *DISP 5.8*.

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A *firm* which ceases to be exempt under *DISP 5.1.4R* is to be treated, for the purposes of its contribution to the *general levy*, as a *firm* to which *DISP 5.9* applies.

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A *firm* which becomes exempt under *DISP 5.1.4R* during the course of a *financial year* is to be treated for the purposes of its contribution to the *general levy*, as a *firm* to which *DISP 5.10* applies.



5.2 Purpose

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The purpose of this chapter is to set out the requirements on *firms* to pay annual fees (through a *general levy*) and case fees to *FOS Ltd* in order to fund the operation of the *Financial Ombudsman Service*. This chapter also contains a requirement on *firms* to pay a *supplementary levy* towards the costs of establishing the *Financial Ombudsman Service*. It also provides for *unauthorised persons* to pay case fees to *FOS Ltd* in respect of any *relevant complaints* which it handles.



5.3 Introduction

- 5.3.1**  Paragraph 9 of Schedule 17 to the *Act* (The Ombudsman Scheme) requires *FOS Ltd* to adopt an annual budget which has been approved by the *FSA*. The *annual budget* must distinguish between the costs of operating the *Compulsory Jurisdiction* and the *Voluntary Jurisdiction*.
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- 5.3.2**  Section 234 of the *Act* (Industry Funding) enables the *FSA* to require the payment to it or to *FOS Ltd*, by *firms* or any class of *firm*, of specified amounts (or amounts calculated in a specified way) to cover the costs of:
- (1) establishing the *Financial Ombudsman Service*; and
 - (2) its operation in relation to the *Compulsory Jurisdiction*.
- 5.3.3**  Paragraph 15 of Schedule 17 to the *Act* enables *FOS Ltd* to require *firms* subject to the *Compulsory Jurisdiction* and any other respondents to a complaint to pay specified fees to it in respect of complaints closed by the *Financial Ombudsman Service*.
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- 5.3.4**  The *Ombudsman Transitional Order* provides for *unauthorised persons* to be charged fees in respect of any *relevant complaints* against them which the *Financial Ombudsman Service* handles.
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- 5.3.5**  Paragraph 18 of Schedule 17 to the *Act* enables *FOS Ltd* to require *VJ participants* to pay to it such amounts at such times as it specifies in the *standard terms*.
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- 5.3.6**  The relevant provisions of these rules will be applied to *VJ participants* through the *standard terms* made by *FOS Ltd* under paragraph 18 of Schedule 17 to the *Act* (see *DISP 4*).
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- 5.3.7**  This chapter sets out the framework for the funding arrangements of the *Financial Ombudsman Service*, including the method by which fees will be calculated. Details of the actual fees payable will vary from year to year, depending on the annual budget of the *Financial Ombudsman Service*. These details will be set out in an annex to this chapter (*DISP 5 Ann 1R*). A new annex will be prepared and consulted on for each *financial year*.
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5.4 The general levy

- 5.4.1** **G** _{/1} Each *financial year*, the FSA and FOS Ltd will consult on the amount of the annual budget of the *Financial Ombudsman Service* which is to be raised by the *general levy*.
- 5.4.2** **G** _{/1} For the purposes of the *general levy*, a *firm* will fall into one or more of the *industry blocks* set out in DISP 5 Ann 1R depending on the business activities which it conducts.
- 5.4.3** **G** _{/1} The FSA will determine, following consultation, the amount to be raised from each *industry block*. This will be based on the budgeted costs and numbers of *Financial Ombudsman Service* staff required to deal with the volume of complaints which the *Financial Ombudsman Service* expects to receive about the *firms* in each *industry block*. Modified arrangements have been made for certain types of small *firms* (see DISP 5.6.3R to 5.6.5G).
- 5.4.4** **G** _{/1} Part 2 of DISP 5 Ann 1R sets out the fee tariffs for each *industry block*.
- 5.4.5** **G** _{/1} The FSA will specify a *minimum levy* for *firms* in each *industry block*.
- 5.4.6** **R** _{/1} A *firm* must pay to FOS Ltd a *general levy* towards the costs of operating the *Compulsory Jurisdiction* of the *Financial Ombudsman Service*.
- 5.4.7** **G** _{/1} Under the *standard terms*, VJ participants will be required to pay an amount calculated on a similar basis towards the costs of operating the *Voluntary Jurisdiction* of the *Financial Ombudsman Service*.
- 5.4.8** **R** _{/1} A *firm's general levy* is calculated as follows:
- (1) identify each of the tariff bases set out in part 2 of DISP 5 Ann 1R which apply to the *relevant business* of the *firm* for the relevant year;
 - (2) for each of those tariff bases, calculate the sum payable in relation to the *relevant business* of the *firm* for that year;
 - (3) add together the amounts calculated under (2).
- 5.4.9** **R** _{/1} For the purpose of DISP 5.4.6R and DISP 5.4.8R, a *member* of the *Society of Lloyd's* or a *managing agent* at Lloyd's will not in that capacity be treated as a *firm* but the *Society of Lloyd's* will pay a *general levy* in respect of Lloyd's *insurance business* conducted with *eligible complainants*.



5.5 Information requirement

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- (1) A *firm* must provide the *FSA* by the end of February each year with a statement of the total amount of *relevant business* (measured in accordance with the appropriate tariff base(s)) which it conducted, as at or in the year to 31 December of the previous year as appropriate, in relation to the tariff base for each of the relevant *industry blocks* set out in part 2 of *DISP 5 Ann 1R*.
- (2) Paragraph (1) does not apply if the *firm* pays a *general levy* on a flat fee basis only.
- (3) If a *firm* cannot provide a statement of the total amount of *relevant business* as required by *DISP 5.5.1R*, it must provide the best estimate of the amount of *relevant business* that it conducted.

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SUP 16.3 (General provisions on reporting) contains further *rules* on the method of submission of reports under *DISP 5.5.1R*.



5.6 Case fees

Standard case fee

- 5.6.1** **R** ^{/1} A *firm* must pay to *FOS Ltd* the standard case fee specified in part 3 of *DISP 5 Ann 1R* in respect of each *chargeable case* relating to that *firm* which is closed by the *Financial Ombudsman Service*, unless a special case fee is payable or has been paid in respect of that case under *DISP 5.6.6R* to *DISP 5.6.12R*.
- 5.6.2** **G** ^{/1} The standard case fee, which will be subject to consultation each year, will be calculated by dividing the *annual budget* for the *Compulsory Jurisdiction*, less the amount to be raised by the *general levy*, by the estimated number of *chargeable cases* which the *Financial Ombudsman Service* expects to close in the relevant *financial year*.
- 5.6.3** **R** ^{/1} A *credit union* which is subject to the *minimum levy* in an *industry block* is not required to pay a standard case fee in respect of *chargeable cases* relating to that *industry block*.
- 5.6.4** **R** ^{/1} Any *firm* falling into either *industry block 13* or *industry block 15* in part 2 of *DISP 5 Ann 1R* is not required to pay the standard case fee in respect of *chargeable cases* relating to those *industry blocks*.
- 5.6.5** **G** ^{/1} The *firms* in *industry blocks 13* and *15* are cash plan health providers and small *friendly societies*. These arrangements have been made in respect of these *firms* to take account of the fact that the amount at issue is likely to be small relative to the case fee. Instead, the full unit cost of handling complaints against these *firms* will be recovered through the *general levy* in accordance with the relevant tariff-base and no case fee will be payable. Similar arrangements have been made under *DISP 5.6.3R* in respect of small *credit unions*.

Special case fees: complaints from small businesses

- 5.6.6** **R** ^{/1} A *firm* must pay to *FOS Ltd* a special case fee, as specified in part 3 of *DISP 5 Ann 1R*, in respect of each *chargeable case* relating to that *firm* closed by the *Financial Ombudsman Service* which was referred to the *Financial Ombudsman Service* by *eligible complainants* who fall within *DISP 2.4.3R(1)(b)*, (c) or (d).

Special case fees: firms which cease to be authorised

- 5.6.7 **R**^{/1} A *firm* which ceases to be *authorised* must pay to *FOS Ltd* a special case fee, as specified in part 3 of *DISP 5 Ann 1R*, in respect of each *chargeable case* relating to that *firm* closed by the *Financial Ombudsman Service* which concerned an act or omission occurring when the *firm* was *authorised* and where the complaint was made after its *authorisation* ceased.

Special case fees: relevant complaints against persons who were subject to a former scheme

- 5.6.8 **R**^{/1} An *unauthorised person* who is subject to the *Compulsory Jurisdiction* in relation to a *relevant complaint* must pay to *FOS Ltd* a special case fee as specified in part 3 of *DISP 5 Ann 1R* in respect of each *chargeable case* relating to that *unauthorised person* closed by the *Financial Ombudsman Service*.

- 5.6.9 **G**^{/1} Under the *Ombudsman Transitional Order*, *FOS Ltd* can handle complaints about *members* of a *former scheme* which that scheme could have handled before *commencement*, even if the *unauthorised person* concerned does not become *authorised* by the *FSA* after that date. Where *FOS Ltd* handles such complaints, the *unauthorised person* concerned will be required to pay a special case fee.

Special case fees for 2001/02

- 5.6.10 **R**^{/1} A *firm* which was a *member* of *PIA* before *commencement* must pay to *FOS Ltd* a special case fee, as specified in *DISP 5 Ann 1R*, in respect of each *chargeable case* relating to that firm received by the *Financial Ombudsman Service* after *commencement* and before 31 March 2002.

- 5.6.11 **R**^{/1} *DISP 5.6.10R* does not apply in relation to a *chargeable case* which relates to a complaint which proceeded or would have proceeded under a *former scheme* other than the *PIAOB* scheme.

- 5.6.12 **R**^{/1} A *firm* which was not a *member* of a *former scheme* before the *commencement day* must pay to *FOS Ltd* a special case fee, as specified in *DISP 5 Ann 1R*, in respect of each *chargeable case* which relates to business conducted by the firm after the *commencement day* and which is closed by the *Financial Ombudsman Service* before 31 March 2002.

- 5.6.13 **G**^{/1} The relevant provisions of *DISP 5.6* will be applied to *VJ participants* through the *standard terms*.

- 5.6.14 **G**^{/1} A *firm* which was, before *commencement*, a *member* of *PIA* and a *former scheme* other than the *PIAOB* scheme will not, on account of the exclusion in *DISP 5.6.11R*, be required to pay the special case fee specified by *DISP 5.6.10R* in respect of all *chargeable cases* relating to it but only those which arise in respect of

investment business matters which would have been eligible under the PIAOB scheme.

5.7 The supplementary levy

- 5.7.1** **G**_{/1} For the purposes of calculating the *supplementary levy*, the *FSA* will apportion the *establishment costs* between the *industry blocks* in the same proportions as the operating costs for the purposes of the *general levy*. The *supplementary levy* will therefore be raised from *firms* on the same basis and at the same time as the *general levy* (see part 2 of *DISP 5 Ann 1R*).
- 5.7.2** **G**_{/1} The *establishment costs* will be recovered via the *supplementary levy* over the first three full *financial years* of the *Financial Ombudsman Service's* operation.
- 5.7.3** **G**_{/1} The amount of *establishment costs* to be raised each year through the *supplementary levy* will be specified in part 2 of *DISP 5 Ann 1R*.
- 5.7.4** **G**_{/1} The *supplementary levy* will be identified separately from the *general levy* for the purposes of invoicing *firms* and *VJ participants*.
- 5.7.5** **R**_{/1} **A firm must pay to FOS Ltd a supplementary levy towards the costs of establishing the Financial Ombudsman Service.**
- 5.7.6** **R**_{/1} **A firm's supplementary levy is a sum payable in accordance with the fee tariffs set out in part 2 of DISP 5 Ann 1R and will be calculated by following the steps set out in DISP 5.4.8R.**
- 5.7.7** **G**_{/1} Under the *standard terms*, *VJ participants* will also be required to pay an amount calculated on a similar basis towards the costs of establishing the *Voluntary Jurisdiction* of the *Financial Ombudsman Service*.

5.8 Payment

- 5.8.1** **R** ^{/1} A *firm* must pay the *general levy* and any *supplementary levy* to which it is subject to *FOS Ltd* either:
- (1) annually, on or before the later of 1 April and 30 calendar *days* after the date when the invoice is issued by *FOS Ltd*; or
 - (2) provided the amount payable exceeds the *minimum levy*, quarterly, at the beginning of each quarter, by direct debit agreement.
- 5.8.2** **R** ^{/1} A *firm* must pay to *FOS Ltd* any standard case fee or special case fee which it is liable to pay under *DISP 5.6.1R*, *DISP 5.6.6R*, *DISP 5.6.7R*, *DISP 5.6.8R*, *DISP 5.6.10R*, or *DISP 5.6.12R*, as appropriate, in respect of *chargeable cases* for which it is invoiced by *FOS Ltd* within 30 calendar *days* of the date when the invoice is issued by *FOS Ltd*.
- 5.8.3** **G** ^{/1} The *Financial Ombudsman Service* will invoice *firms* for case fees on a *monthly* basis and *firms* will be required to pay these fees within 30 calendar *days* of receiving the invoice.
- 5.8.4** **R** ^{/1} A *firm* or an *unauthorised person* who is subject to the *Compulsory Jurisdiction* in relation to a *relevant complaint* must pay any standard case fee or special case fee within 30 calendar *days* of the date when the invoice is issued by *FOS Ltd*.
- 5.8.5** **G** ^{/1} *FOS Ltd* will issue invoices for the *general levy*, any *supplementary levy*, standard case fees and special case fees. The invoice will be payable within 30 calendar *days*. Invoices will be sent to the *firm's* Compliance Officer at the principal place of business in the *United Kingdom* last notified to the *FSA*.
- 5.8.6** **R** ^{/1} If a *firm* or an *unauthorised person* does not pay a levy or case fee in full within 30 calendar *days* of the date when the invoice is issued, it must, from that date, pay interest at 10% per annum for each *day* the unpaid part remains outstanding.
- 5.8.7** **G** ^{/1} If a *firm* (or *unauthorised person*) fails to make payment under this chapter, after expiry of the 30 *day* period, *FOS Ltd* may:
- (1) Take steps to recover any money owed (including interest);

(2) Refer the matter to the *FSA* so that the *FSA* may take whatever disciplinary action it considers necessary.

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If it appears to the *FSA* or *FOS Ltd* that, owing to the exceptional circumstances of a particular case, the payment of any fee would be inequitable, the *FSA* or *FOS Ltd* may reduce or remit all or part of the fee in question which would otherwise be payable.

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If it appears to the *FSA* or *FOS Ltd* that, owing to the exceptional circumstances of a particular case to which *DISP* 5.8.8R does not apply, the retention by the *FSA* or *FOS Ltd* of a fee which has been paid would be inequitable, the *FSA* or *FOS Ltd* may refund all or part of the fee.



5.9 Joining the Financial Ombudsman Service

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A *firm* which becomes subject to the *Financial Ombudsman Service* part way through a *financial year* must pay a rateable proportion of the *general levy* and the *supplementary levy* as indicated in Table DISP 5.9.2R.

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Table Table DISP 5.9.2

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Quarter in which the firm becomes subject to the Financial Ombudsman Service	Proportion payable
1 April to 30 June inclusive	100%
1 July to 30 September inclusive	75%
1 October to 31 December inclusive	50%
1 January to 31 March inclusive	25%



5.10 Leaving the Financial Ombudsman Service

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Where a *firm* ceases to be *authorised* part way through a *financial year*:

- (1) it will remain liable to pay standard case fees in respect of *chargeable cases* against it closed by the *Financial Ombudsman Service* for the remainder of that *financial year*; and
- (2) it must pay the special case fee specified under *DISP 5.6.7R* in respect of any other *chargeable cases* against it closed by the *Financial Ombudsman Service*.

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Firms which cease to be *authorised* and, therefore subject to the *Compulsory Jurisdiction* part way through the year will not, normally, receive a refund of their *general levy* (or *supplementary levy*). However, exceptions may be made if *firms* have informed the *FSA* of their plans before the end of the previous *financial year*. *Firms* will continue to be liable for any case fees relating to *chargeable cases* closed by the *Financial Ombudsman Service* after they cease to be *authorised*. *Firms* will be charged the standard case fee where the complaint was closed by the *Financial Ombudsman Service* before the end of the year in which their *authorisation* ceased. The special case fee will apply to any complaint closed after the end of that year since the *firm* will no longer be contributing to the *general levy*.

DISP 5 Ann 1R: Annual Fees Payable in Relation to 2002/03

Introduction: annual budget

- 1 The annual budget for 2002/03 approved by the FSA is £28.2m.

Part 1: general levy and supplementary levy

- 2 The total amount expected to be raised through the general levy in 2002/03 will be £14.1m.

Part 2: Fee tariffs for general levy and supplementary levy

- 3 The total amount of establishment costs to be raised in 2002/03 by the supplementary levy is £1.6m.
- 4 Table: fee tariffs for industry blocks

Industry block	Tariff base	General levy payable by firm	Supplementary levy payable by firm
1–Deposit acceptors, mortgage lenders and administrators (excluding <i>firms</i> in block 14)	Number of accounts relevant to the activities in <i>DISP</i> 2.6.1R	£0.01573 per relevant account, subject to a minimum levy of £250	£0.0018 per relevant account, subject to a minimum levy of £29
2– <i>Firms</i> that undertake insurance activities, subject to prudential regulation only (excluding <i>firms</i> in blocks 13 & 15).	Relevant annual gross premium income	£0.1593 per £1,000 of relevant annual gross premium income, subject to a minimum levy of £250	£0.0184 per £1,000 of relevant annual gross premium income, subject to a minimum levy of £29
3– <i>Society</i> of Lloyd's	To be allocated by the <i>Society</i>	£201,100 to be allocated by the <i>Society</i>	£23,000 to be allocated by the <i>Society</i>
4– <i>Firms</i> that undertake insurance activities, subject to both prudential and conduct of business regulation (<i>long-term life insurers</i>) (excluding <i>firms</i> in block 15)	Relevant adjusted annual gross premium income	£0.098 per £1,000 of relevant adjusted annual gross premium income, subject to a minimum levy of £100	£0.0113 per £1,000 of relevant adjusted annual gross premium income, subject to a minimum levy of £12

5–Fund managers (including those holding <i>client money/assets</i> and not holding <i>client money/assets</i>)	Relevant funds under management	£0.00132 per £1,000 of relevant funds under management, subject to a minimum levy of £100	£0.00015 per £1,000 of relevant funds under management, subject to a minimum levy of £12
6–Operators, trustees and depositaries of collective investment schemes	Flat fee	Levy of £100	Levy of £12
7–Dealers as principal	Number of relevant traders	£100 per relevant trader, subject to a minimum levy of £100	£12 per relevant trader, subject to a minimum levy of £12
8–Advisory arrangers, dealers or brokers holding and controlling <i>client money</i> and/or assets	Number of relevant approved persons (controlled functions 21, 22, 24, 25, 26)	£40 per relevant approved person (controlled functions 21, 22, 24, 25, 26), subject to a minimum levy of £100	£5 per relevant approved person (controlled functions 21, 22, 24, 25, 26), subject to a minimum levy of £5
9–Advisory arrangers, dealers or brokers not holding and controlling <i>client money</i> and/or assets	Number of relevant approved persons (controlled functions 21, 22, 24, 25, 26)	£35 per relevant approved person (controlled functions 21, 22, 24, 25, 26), subject to a minimum levy of £100	£4 per relevant approved person (controlled functions 21, 22, 24, 25, 26), subject to a minimum levy of £4
10–Corporate finance advisers	Flat fee	Levy of £100	Levy of £12
11–Execution-only arrangers, dealers or brokers	Flat fee	Levy of £100	Levy of £12
12–Advisory only firms	Number of relevant approved persons (controlled functions 21, 22, 24, 25, 26)	£50 per relevant approved person (controlled functions 21, 22, 24, 25, 26), subject to a minimum levy of £100	£6 per relevant approved person (controlled functions 21, 22, 24, 25, 26), subject to a minimum levy of £12
13–Cash plan health providers	Flat fee	Levy of £50	Levy of £6
14–Credit unions	Flat fee	Levy of £50	Levy of £6
15–Friendly societies whose tax-exempt business represents 95% or more of their total relevant business	Flat fee	Levy of £50	Levy of £6

5 The industry blocks in the table are the same as the equivalent activity groups set out in part 7 of SUP 20 Ann 1R

- 6 Where the tariff base in the table is defined in similar terms as the tariff base for the equivalent activity group set out in part 7 of SUP 20 Ann 1R, it must be calculated in the same way as that tariff base except that it takes into account only the firm's relevant business.

Part 3: case fees

- 7 Standard case fees and special case fees

Governing Provisions	Case Fee	Amount
DISP 5.6.1R	Standard	£360
DISP 5.6.6R	Special case fee: complaints from small businesses	£720
DISP 5.6.7R	Special case fee: firms which cease to be authorised	£720
DISP 5.6.8R	Special case fee: unauthorised persons who were subject to a former scheme	£720

Part 4: VJ participants

- 8 **Table Fee tariffs and case fees for VJ participants**

Voluntary jurisdiction industry block	Tariff base	General levy payable by firm	Minimum general levy per firm	Supplementary levy payable by firm	Minimum supplementary levy per firm	Case Fee
1V Mortgage lenders and administrators	Number of relevant accounts	£0.01573 per relevant account	£250	£0.0018 per relevant account	£29	£360
2V <i>VJ participants</i> undertaking insurance activities subject only to prudential regulation	Relevant annual gross commission income	£0.1593 per £1,000 of relevant annual gross commission income	£250	£0.0184 per £1,000 of relevant annual gross commission income	£29	£360

3V	Insurance brokers, loss adjusters, claims handling firms and mortgage intermediaries who were members of a <i>former scheme</i> .	Relevant annual gross commission or fee income	Nil	£200	Nil	£23	£360
4V	<i>VJ participants</i> falling into none of the above categories	Relevant annual gross premium income	Nil	Nil	Nil	Nil	£720

- 9 The industry blocks in the table are the same as the equivalent activity groups for authorised firms, as set out in part 7 of SUP 20 Ann 1R.
- 10 Where the tariff base in the table is defined in similar terms as the tariff base for the equivalent activity group set out in part 7 of SUP 20 Ann 1R, it must be calculated in the same way as that tariff base except that it takes into account only the VJ participant's relevant business.
- 11 'Relevant business' for the purposes of funding the Voluntary Jurisdiction means that part of a VJ participant's business which it conducts with private individuals and which is subject to the Voluntary Jurisdiction of the Financial Ombudsman Service as provided for in DISP 2.6.9R (The Voluntary Jurisdiction), as measured by the appropriate tariff base for each industry block.

Annex B

DISP Schedule 2 Insert the following new row at the end of table 2:

<i>DISP</i> 5.5.1R	<i>Relevant business conducted</i>	The total amount of <i>relevant business</i> (measured in accordance with the appropriate tariff base(s)) which the <i>firm</i> conducted as at or in the year to 31 December as appropriate, in relation to the tariff base for each of the relevant <i>industry blocks</i> set out in <i>DISP 5 Ann 1R</i>	N/A	By the end of February each year
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DISP Schedule 3 Delete the existing text and insert the following two tables:

1 Table

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The aim of the *guidance* in the following table is to give the reader a quick overall view of the relevant requirements for fees and other required payments.

It is not a complete statement of those requirements and should not be relied on as if it were.

2 Table

Type of fee	Trigger event	Date/Time for payment	Amount/rate	Handbook reference
<i>General levy</i>	Annual invoice from <i>FOS Ltd</i>	(1) On or before the later of 1 April and 30 calendar <i>days</i> after the date when the invoice is issued by <i>FOS Ltd</i> ; or (2) for amounts exceeding the <i>minimum levy</i> , quarterly, at the beginning of each quarter, by direct debit.	Amount of <i>relevant business</i> according to applicable tariff base; or <i>minimum levy</i> .	<i>DISP 5.4</i> <i>DISP 5.8</i> Part 2 of <i>DISP 5 Ann1R</i>
<i>Supplementary levy</i>	Annual invoice from <i>FOS Ltd</i>	(1) On or before the later of 1 April and 30 calendar <i>days</i> after the date	Amount of <i>relevant business</i> according to applicable	<i>DISP 5.7</i> <i>DISP 5.8</i> Part 2 of <i>DISP 5 Ann1R</i>

		when the invoice is issued by <i>FOS Ltd</i> ; or (2) for amounts exceeding the <i>minimum levy</i> , quarterly, at the beginning of each quarter, by direct debit.	tariff base; or <i>minimum levy</i>	
Case fees	<i>Monthly invoice from FOS Ltd</i>	Within 30 calendar <i>days</i> of date when the invoice is issued by <i>FOS Ltd</i>	Standard case fee (£360) or special case fee (£720), as applicable	<i>DISP 5.6</i> <i>DISP 5.8</i> Part 3 of <i>DISP 5</i> Ann1R

DISP Schedule 4 In Table 1, insert the following paragraph after paragraph 1(4):

(4A) Section 234 (Funding)

In Table 2, insert the following rows at the end of the table:

DISP 5	5.1.6R 5.6 (all rules) 5.8.2R 5.8.4R 5.10.1R
DISP 5 Ann1R	part 3 part 4

Annex C

Amend the Glossary, as shown below:

industry-block In column 1, replace “industry-block” with “industry block”

relevant business Replace “industry-block” with “industry block”