



Processing fees charged by the Financial Supervisory Authority (FIN-FSA) starting from 1 January 2025

General principles for the determination of processing fees

Processing fees charged by the FIN-FSA are subject to the Act on the Charge Criteria of the State (150/1992) and the fee schedule for the FIN-FSA's chargeable services. The fee schedule is mainly based on fixed prices. Services where the amount of work required may vary to an exceptional degree are subject to an hourly rate in addition to the basic fee. Where an hourly rate is applicable, it will be pointed out to the applicant/requester before imposing the fee.

Processing fee is charged:

- Where the actions of another authority requires measures by the FIN-FSA (e.g. preparatory work/decision proposal), these will be subject to a fee based on the fee schedule and additional costs, if any. Unless otherwise provided, the fee will be charged on the basis of the amount of working time spent.
- Where the performance of a service effectively enables the performance of several services in parallel, the fee will be based on the amount of working time spent.
- Scheduled processing fees will be charged for both positive and negative resolutions. If the processing of an application lapses due to the applicant's withdrawal of the application or for some other corresponding reason, a fee is collected for the costs that have arisen up to the point of withdrawal. This also applies to situations where the applicant takes a decision in the pre-application stage not to submit an official application. A fee is collected in accordance with the costs that have arisen up to the point of withdrawal also in a situation where the application, notification or other basis for a chargeable service is not examined. The costs arising from the processing of an application are determined on the basis of the working hours used and any specific costs relating to the processing of the application (total costs). In the case of an ordinary routine application, the costs may also be determined in accordance with the stage of preparation indicated by the process description.
- Where a process has been initiated during the validity of the previous fee schedule, the prices valid at the time of filing the application shall apply, or the present prices, if they lead to a more favourable outcome for the applicant.
- The basis of determination of the processing fees is cost price (total costs) in accordance with the provisions of the Act on the Charge Criteria of the State.
- If the fee schedule does not indicate a price for a chargeable service, an hourly rate of EUR 133 will be charged for each hour of work performed in processing the matter.

Processing fee is not charged:

- No processing fees are charged for services performed as part of ongoing supervision and which are or may be targeted at several supervised entities or parties comparable to a supervised entity. The costs of ongoing supervision are covered by supervision fees in accordance with the provisions of the Act on the Supervision Fees of the Financial Supervisory Authority.

The FIN-FSA's chargeable services are mainly services under public law.

The collection of fees for services provided under public law without a separate decision has been provided separately in law.

Maximum fees

The maximum fees for services with an additional hourly rate for work exceeding the average amount of work are determined as follows:

- For a supervised entity or other entity liable to pay a fee, whose balance sheet total or assets under management exceed EUR 10 billion, the processing fee may be ten times the basic fee at the maximum.
- For a supervised entity or other entity liable to pay a fee, whose balance sheet total or assets under management are EUR 1-10 billion, the processing fee may be five times the basic fee at the maximum.
- For other supervised entities and other entities liable to pay a fee, the processing fee may be three times the basic fee at the maximum.

These maximum fees do not apply to the fees specified in the separate appendices to the fee schedule.

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1 Credit Institution Activities and Other Activities Related to Credit Provision

- SSM Framework Regulation (EU) No 1024/2013¹
- The EU Capital Requirements Regulation (575/2013/EU) as well as delegated regulations and implementation regulations by virtue of the Regulation.
- Credit Institutions Act (610/2014)
- Act on Amalgamation of Deposit Banks (599/2010)
- Act on Mortgage Credit Banks and Covered Bonds (151/2022)
- Act on Commercial Banks and Other Credit Institutions in the Form of a Limited Company (1501/2001)
- Act on Cooperative Banks and Other Cooperative Credit Institutions (423/2013)
- Ministry of Finance Decree on applicable exemptions to the limitations of large exposures of credit institutions, investment firms and financial and insurance conglomerates (699/2014)
- Act on Intermediaries of Consumer Credit Relating to Residential Property (852/2016)
- Act on the Registration of Certain Credit Providers and Credit Intermediaries (186/2023)
- Securitisation Regulation ((EU) 2017/2402)

SERVICES/PRODUCTS	Processing fee EUR	In addition, an hourly rate is charged when the number of hours worked in the processing of the matter exceeds
AUTHORISATIONS²		
Decisions proposal concerning the authorisation of a credit institution	16,550	125 h
Withdrawal of an authorisation, on application – decision proposal	2,400	
CROSS-BORDER ACTIVITIES		
Establishment of an EEA branch or representative office (in Finland or abroad), transfer of domicile and	2,400	

¹ The ECB's right to levy supervisory fees is provided on in Article 30 of the Regulation. In addition, paragraph 5 of said Article provides that a national competent authorities may levy fees in accordance with national law and, to the extent supervisory tasks have not been conferred on the ECB, or in respect of costs of cooperating with and assisting the ECB and acting on its instructions.

² By virtue of the SSM Regulation, authorisations of credit institutions are granted and withdrawn by the ECB. Applications for authorisation are addressed to the FIN-FSA, and the FIN-FSA decides whether the applicant meets the requirements for authorisation and prepares a draft decision for the ECB. A similar process applies to the withdrawal of authorisation. In the above fee schedule, the FIN-FSA's participation in the process is referred to as preparatory work.



SERVICES/PRODUCTS	Processing fee EUR	In addition, an hourly rate is charged when the number of hours worked in the processing of the matter exceeds
establishment of a third-country branch		
Authorisation for a third-country credit institution to establish a branch in Finland	12,900	
Exemption from the application of liquidity requirements on an individual basis	5,800	
Notifications (cross-border provision of services to another EEA country or outside the EEA countries)	585	
OTHER SERVICES CONCERNING CREDIT INSTITUTION OR MORTGAGE CREDIT BANK ACTIVITIES		
Authorisation concerning mortgage credit bank activities	13 400	100 h
Decisions and permissions concerning own funds or decision proposals concerning the aforementioned	1,850	15 h
Other permissions and exemptions concerning risks or decision proposals concerning the aforementioned	1,850	15 h
Other (exemption) permission or a decision proposal concerning the aforementioned ³	1,850	15 h
Permissions related to the introduction of internal models or to material changes	See appendices 1 - 3	
SERVICES RELATED TO OTHER CREDIT PROVISION		

³ Covers, for example, decision proposals to the ECB concerning owner control.



SERVICES/PRODUCTS	Processing fee EUR	In addition, an hourly rate is charged when the number of hours worked in the processing of the matter exceeds
Registration of a mortgage credit intermediary	1,850	
Establishment of a branch of a mortgage credit intermediary (abroad or in Finland)	1,320	
Notifications concerning mortgage credit intermediaries	585	
Registration of credit providers and peer-to-peer loan brokers	1,850	

! If the fee schedule does not indicate a price for a chargeable service, an hourly rate of EUR 133 will be charged for each hour of work performed in processing the matter.



2 Payment Institution Activities

Applicable legislation

- Payment Institutions Act (297/2010)
- Act on Foreign Payment Institutions in Finland (298/2010)
- Act on Virtual Currency Providers (572/2019)

SERVICES/PRODUCTS	Processing fee EUR	In addition, an hourly rate is charged when the number of hours worked in the processing of the matter exceeds
AUTHORISATIONS		
Authorisation of a payment institution	6,550	50 h
Other decision concerning the authorisation of a payment institution	4,320	30 h
Withdrawal of authorisation	2,400	
CROSS-BORDER ACTIVITIES		
Establishment of a branch (abroad or in Finland) of a payment institution operating in the EEA	2,400	
Registration of an agent operating in the EEA	585	
Notification of the free provision of services in the EEA	585	
OTHER SERVICES CONCERNING PAYMENT INSTITUTION ACTIVITIES		
Provision of payment services without authorisation	1,850	
Other decisions	1,850	15 h

! If the fee schedule does not indicate a price for a chargeable service, an hourly rate of EUR 133 will be charged for each hour of work performed in processing the matter.



3 Fund Activities

Applicable legislation

- Mutual Funds Act (213/2019)
- Act on Alternative Investment Fund Managers (162/2014)
- EU Regulation on European Venture Capital Funds (EuVECA Regulation, 345/2013)
- EU Regulation on European Social Entrepreneurship Funds (EuSEF Regulation, 346/2013)
- EU Regulation on European Long-Term Investment Funds (ELTIF Regulation, (EU) No. 2015/760)
- EU Regulation on Money Market Funds (MMF Regulation, (EU) 2017/1131)
- Real Estate Funds Act (1173/1997)

SERVICES/PRODUCTS	Processing fee EUR	In addition, an hourly rate is charged when the number of hours worked in the processing of the matter exceeds
AUTHORISATIONS AND REGISTRATIONS		
Decision on authorisation of a management company, Alternative Investment Fund Manager or special depositary	8,700	65 h
All amendments to authorisations (including the granting of an AIFM authorisation to a UCITS manage- ment company)	4,320	30 h
Withdrawal of authorisation upon application	2,400	
Registration of an AIFM subject to registration obligation	1,850	15 h
FINNISH FUNDS		
Establishment of a new UCITS or AIFfund	1,320	
Establishment of a new MMF, ELTIF, EuVECA or EuSEF fund and establishment of such other UCITS or AIF fund as requires essential in- terpretations	1,320	10 h



Merger or split of Finnish UCITS and non-UCITS funds	1,320	
Cross-border merger of a UCITS	3,050	
Amendment of the rules of a UCITS	585	
Confirmation of similar amendments of the rules of several UCITS funds	585 + 107 for similar changes for each subsequent fund	
Exemptions and other permissions and decisions to Finnish AIFs or UCITS funds (manager/fund/custodian)	1,850	
CROSS-BORDER ACTIVITIES		
Establishment of a branch (abroad or in Finland), processing of notification	2,400	
Cross-border activities, marketing of AIF funds/provision of services without establishing a branch (abroad)	585	
Cross-border marketing of an AIF managed by an entity authorised in the EEA to non-professional investors or cross-border marketing to Finland of an AIF registered in the EEA country	1,320	
Marketing of a third-country fund in Finland	3,050	
Product notification procedure (includes certificate verifying a mutual fund's fulfilment of the requirements laid down in the MFA), Finnish UCITS agent	585	



OTHER SERVICES CONCERNING FUND ACTIVITIES		
All UCITS or AIF certificates	170	

! If the fee schedule does not indicate a price for a chargeable service, an hourly rate of EUR 133 will be charged for each hour of work performed in processing the matter.



4 Investment Firm Activities and Related Activities

Applicable legislation

- Investment Services Act (747/2012)
- EU Capital Requirements Regulation for Investment Firms (EU) 2019/2033 and delegated acts and implementing acts adopted by virtue of it
- Act on the Provision of Crowdfunding Services (203/2022)
- EU Crowdfunding Regulation (EU) 2020/1503 and delegated acts and implementing acts adopted by virtue of it

SERVICES/PRODUCTS	Processing fee EUR	In addition, an hourly rate is charged when the number of hours worked in the pro- cessing of the matter exceeds
AUTHORISATIONS AND REGISTRATIONS		
Authorisation of an investment firm or crowdfunding service provider	8,700	65 h
Amendment of authorisations	4,320	30 h
Withdrawal of authorisations, on application	2,400	
CROSS-BORDER ACTIVITIES		
Establishment of a branch (abroad or in Finland)	2,400	
Permission for an investment firm authorised in a third country to establish a branch in Finland	9,850	
Notification of cross-border provision of services without establishing a branch	585	
OTHER DECISIONS AND EXEMPTIONS		
Decisions, permissions, exemptions and notifications	1,850	15 h

! If the fee schedule does not indicate a price for a chargeable service, an hourly rate of EUR 133 will be charged for each hour of work performed in processing the matter⁴.

⁴ An hourly rate is charged for the processing of specific permissions for DLT-based operations.



5 Securities Markets

Applicable legislation

- Securities Markets Act (746/2012)
- Regulation (EU) No. 2017/1129 of the European Parliament and of the Council
- Act on Trading in Financial Instruments (1070/2017)
- Financial Market Regulation (EU) 600/2014
- Act on the Book-Entry System and Clearing Operations (348/2017)
- Central Securities Depositories Regulation (EU) 909/2014
- Act on Bondholders' Representative (574/2017)
- Benchmark Regulation ((EU) 2016/1011)
- DLT Pilot Regulation (EU) 2022/858⁵
- European Market Structure Regulation (EU) No 648/2012
- European Crypto Assets Regulation (EU) 2023/1114

SERVICES/PRODUCTS	Processing fee EUR	In addition, an hourly rate is charged when the number of hours worked in the processing of the matter exceeds
PROSPECTUSES AND TENDER DOCUMENTS		
Prospectuses ⁶ - Initial public offering and listing on a regulated market or multi- lateral trading facility - Mergers and de-mergers - prospectuses containing finan- cial pro forma information	6,750	
Programme prospectuses (including supplementations)	4,320	
Bid documents and other memo- randa ⁷	3,500	25 h
Supplementation to a prospectus or bid document	1,320	

⁵ An hourly rate is charged for the processing of specific permissions for DLT-based operations.

⁶ Where part of a prospectus (registration document or securities note and summary) is approved separately, the fee for the part shall be half of the fee for a prospectus.

⁷ Where part of a prospectus (registration document or securities note and summary) is approved separately, the fee for the part shall be half of the fee for a prospectus.



OTHER SERVICES CONCERNING SECURITIES MARKETS		
Exemption under the Securities Markets Act from bid obligation or bid consideration	4,320	
Other authorisation, exemption, decision and notification under the Securities Markets Act, the Act on Trading in Financial Instruments or the Act on the Book-Entry System and Clearing Operations, or the Benchmark, Market Structure, DLT Pilot or Markets in Crypto-Assets Regulations	1,850	15 h
Registration of a bondholders' representative	1,850	
AUTHORISATIONS AND OTHER CRYPTO-ASSET-RELATED SERVICES		
Authorisation of a crypto-asset service provider	8,700	65 h
Processing of a notification under Article 60 of Markets in Crypto-Assets (MiCA) Regulation	3,500	25 h
Notification (cross-border provision of services to another EEA country)	585	
Other processing of authorisation, decision, exemption and notification under Markets in Crypto-Assets Regulation	1,850	15 h

! If the fee schedule does not indicate a price for a chargeable service, an hourly rate of EUR 133 will be charged for each hour of work performed in processing the matter.



6 Insurance Activities and Related Activities

Applicable legislation

- Insurance Companies Act (521/2008)
- Act on the entry into force of the Act amending the Insurance Companies Act (521/2008)
- Act on Foreign Insurance Companies (398/1995)
- Local Mutual Insurance Associations (1250/1987)
- Act on Employee Pension Companies (354/1997)
- Pension Funds Act (946/2021)
- Act on the Entry into Force of the Pension Funds Act, the Act on Supplementary Pension Funds and the Employee Benefit Funds Act(951/2021)
- Act on Supplementary Pension Funds (947/2021)
- Employee Benefit Funds Act (948/2021)
- Act on Insurance Distribution (234/2018)
- Unemployment Funds Act (603/1984)
- Regulation (EU) 2019/1238 of the European Parliament and of the Council on a pan-European Personal Pension Product (PEPP)

SERVICES/PRODUCTS	Processing fee EUR	In addition, an hourly rate is charged when the number of hours worked in the processing of the matter exceeds
AUTHORISATIONS		
Decision on authorisation of an insurance company and special purpose vehicle	8,700	65 h
Withdrawal of authorisation	2,400	
CROSS-BORDER ACTIVITIES		
Establishment of a branch office (abroad or in Finland)	2,400	
Notification concerning free pro- vision	585	
OTHER SERVICES RELATED TO INSURANCE ACTIVITIES		
Permissions related to calcula- tion of solvency and technical provisions under SII	4,320	30 h
Decision on merger or de-merger of an insurance company, change	4,320	30 h



SERVICES/PRODUCTS	Processing fee EUR	In addition, an hourly rate is charged when the number of hours worked in the processing of the matter exceeds
of company type or surrender of its insurance portfolio		
Decision on merger, de-merger, surrender of insurance busi- ness/transfer of liabilities of a company or industry-wide fund, insurance fund or unemployment fund	1,850	15 h
Surrender of an employer-specific employee pension insurance portfolio	1,850	15 h
Decision on merger of another employee benefit fund than an in- dustry-wide pension fund or transfer of its liabilities	1,320	
Return of excess funding, internal transfer from a department oper- ating a statutory pension scheme to a department providing sup- plementary benefits.	1,850	
Confirmation or amendment of bylaws or articles of association		
a. company or industry-wide pen- sion fund, insurance company, unemployment fund	1,320	10 h
b. other insurance funds than an industry-wide pension fund	585	
Confirmation of technical provi- sions for an insurance company and insurance association	1,320	
Confirmation of the membership fee of an unemployment fund	585	
Confirmation of calculation bases for the equalisation provision	1,850	15 h



SERVICES/PRODUCTS	Processing fee EUR	In addition, an hourly rate is charged when the number of hours worked in the processing of the matter exceeds
Process of application to be entered in the register of insurance brokers ⁸	1,170 + 170 per each person to be registered	
Registration excerpt or certificate as digital print	120	
Registration excerpt or certificate in paper or print/document requiring preparation	170	1.5 h

! If the fee schedule does not indicate a price for a chargeable service, an hourly rate of EUR 133 will be charged for each hour of work performed in processing the matter.

⁸ The fee is collected in advance. Paid fee is non-refundable.



7 Requests for documents or information

Applicable legislation

- Act on the Openness of Government Activities (621/1999)
- Administrative Procedure Act (434/2003)

SERVICES/PRODUCTS	Processing fee EUR	In addition, an hourly rate is charged when the number of hours worked in the processing of the matter exceeds
INFORMATION SEARCHES		
Searches for information in registers or data-bases belonging or available to the FIN-FSA (requiring separate specification work)	67/beginning ½ hour	
DOCUMENT REQUESTS		
Customary document requests (information search by classification data)	free of charge	
Document requests requiring special measures, where the document cannot be specified and found in document registers by document classification or document identifiers or in electronic registers by its search functions	67/beginning ½ hour	
OTHER SERVICES		
Other comparable special services	67/beginning ½ hour and additional expenses, if any	



8 Appendices

Appendix 1. Processing fees concerning applications for permission to use the internal ratings based approach (IRBA) and introduce material changes as referred to in Articles 143 and 20 of the EU Capital Requirements Regulation

The FIN-FSA applies the following principles in determining the processing fees for processing applications concerning the internal ratings based approach (IRBA) as referred to in Article 143 of the EU Capital Requirements Regulation. Section 1 discusses the general criteria for determining processing fees, while Section 2 describes how processing fees are determined in situations where the FIN-FSA processes the application alone and Section 3 the situation where the FIN-FSA grants the permission in accordance with Article 20 of the EU Capital Requirements Regulation in cooperation with foreign supervisors.

1. On the calculation of costs forming the basis for the processing fee

For the processing of applications for permission to use the IRBA, FIN-FSA charges a processing fee only for the part of the costs exceeding the normal supervision costs.

The processing fees shall be determined on the basis of equal treatment of the supervised entities. The possibility provided to the supervised entities according to the capital adequacy framework of applying either the standardised method or the IRBA in the calculation of minimum capital requirements for credit risk must be considered in an equitable way. Although no permission is required for using the standardised method, the FIN-FSA must also inspect the capital adequacy analysis of the supervised entities applying the standardised method. This work is paid for by the supervision fees collected by the FIN-FSA. To ensure equal treatment of the alternative methods for calculating the capital requirements for credit risk, a certain part of the inspection costs for the IRBA permission must be covered by a general supervision fee. As a result, only the separate costs for the IRBA permission are collected as an individual fee. Costs that concern the standardised method for credit risk and the IRBA alike have been estimated to comprise about half of the processing costs for the IRBA applications. The other half is charged as a processing fee for the application for the IRBA permission.

Sections 2 and 3 describe the processing fees charged for processing applications concerning the adoption of the IRBA. The processing fee for processing an application concerning a material change to the IRBA is calculated as a percentage of the processing fee charged for an application concerning the adoption of the IRBA. The processing fee for an application concerning a material change is based on the FIN-FSA's assessment of the proportional processing time needed, and it cannot exceed the fee charged for adoption of the corresponding IRBA.

2. Fees when the FIN-FSA processes the application alone

Factors underlying the amount of the processing fee

The factors influencing the fee charged for processing the IRBA application are as follows:

Size of the supervised entity or consolidation group
Type of IRBA permission

Factors influencing the amount of the processing fee

I. Size of the supervised entity or consolidation group

The processing fee depends on the size of the credit institution. Credit institutions with large credit portfolios must use several different classification methods (i.e. rating methods). As to each separate classification method and the estimation and validation of its risk parameters, the fulfilment of the minimum requirements on the method must be assessed separately. As a rule, large credit institutions have several exposure categories (e.g. credit institutions, companies, retail exposures) and different classification methods can be used for analysing separate categories. Correspondingly, small credit institutions may have few exposure categories and few classification methods.

The size of the supervised entity or consolidation group is important to the processing of the IRBA permission and the supervision of its introduction. The larger the supervised entity or consolidation group, the larger is the number of internal classification methods that the applicant may use, and FIN-FSA must separately assess all these methods.

The supervised entities are divided into two categories according to their size.

K1 – supervised entities with exposures of EUR 10 billion or more

K2 – supervised entities with exposures of less than EUR 10 billion

II. Type of IRBA permission

The processing fees are determined according to the following IRBA permission types:

Advanced method (AIRB)

Foundation method (FIRB)

Additional AIRB permission, when the FIRB permission has already been granted

Special permission in connection with the IRBA for use of internal models for equity exposures

Cancelling of the IRBA permission (the supervised entity starts using the standardised method)

Cancelling of the AIRB permission (the supervised entity starts using the FIRB for government, credit institution and corporate exposures)

III. Further cost factors

In addition, the following factors have a material effect on the processing costs for IRBA permissions:

The supervised entities or consolidation groups comprise foreign subsidiaries or branches. In these cases, the granting process is carried out in cooperation with foreign supervisors and the work requires more resources as well as efforts by FIN-FSA to coordinate the work of the different supervisors.

The supervised entity or consolidation group may introduce the IRBA sequentially, in which case inspection work must continue concerning the units and exposure categories that were not ready to be assessed when the initial IRBA permission was granted. The FIN-FSA has to earmark resources for future



inspections and cannot perform the permission process as efficiently as it could if all methods of the supervised entity or consolidation group were assessed at the same time.

Processing fees

Processing fees for category K1 supervised entities

The processing fees for processing applications concerning the adoption of the IRBA charged from supervised entities of category K1 have been listed in the table below. The size of the fee is influenced by the type of IRBA permission and by the further cost factors A (foreign subsidiaries) and B (sequential introduction).

Table 1

Category (K1)	Further cost factors		
Types of IRBA permissions	Basic fee, EUR	Foreign subsidiaries (A)	Sequential introduction (B)
1. Advanced method (AIRB)	161,400	38,700	38,700
2. Foundation method (FIRB)	129,100	32,300	32,300
3. Additional AIRB permission	42,000	9,700	9,700
4. Special permission (internal models)	9,700		
5. Cancellation of permission	32,300		
6. Cancellation of AIRB permission	9,700		

The costs for processing a FIRB application are used as the basis for the processing fees for IRBA permissions. Fees for other IRBA permissions are derived from this basis. The basic fee is charged for IRBA permissions the processing of which does not comprise the further cost factors A and B.

The processing of a FIRB permission for a supervised entity or consolidation group of category K1 has been calculated to cause separate costs of EUR 129,100. The costs for each permission type have been calculated according to the principles above. The permission costs increase according to the inclusion of the further cost factors A and/or B.

The FIRB permission fee for a supervised entity or consolidation group with foreign subsidiaries and a sequential introduction of the IRBA amounts to $\text{EUR } 129,100 + 32,300 + 32,300 = \text{EUR } 193,700$. Correspondingly, the processing fee for granting an additional AIRB permission to a supervised entity or consolidation group that already has the FIRB permission amounts to $\text{EUR } 42,000 + 9,700 + 9,700 = \text{EUR } 61,400$, if the entity or group switches to AIRB sequentially. Thus the total costs for introducing AIRB via FIRB amount to EUR 255,100. *Processing fees for supervised entities of category K2*



A supervised entity of category K2 mostly does not carry out all legally permitted activities. Processing the permission for a supervised entity of category K2 has been assessed to require the work effort of 0.8-1.6 employees for a period of 6.5 months. Also the processing of the matter by the FIN-FSA management only requires half of the time calculated for supervised entities of category K1.

The basic fees for processing the applications for FIRB permissions of supervised entities of category K2 are as follows:

K2 – FIRB permission EUR 64,600

The table 2 provides the processing fees for processing applications concerning the adoption of the IRBA charged from supervised entities of category K2.

Table 2

Supervised entities of category K2		Further cost factors	
Types of IRBA permissions	Basic fee, EUR	Foreign subsidiaries (A)	Sequential introduction (B)
1. Advanced method (AIRB)	80,700	19,400	19,400
2. Foundation method (FIRB)	64,600	16,100	16,100
3. Additional AIRB permission	21,000	4,800	4,800
4. Special permission (internal models)	4,800		
5. Cancellation of permission	16,100		
6. Cancellation of AIRB permission	4,800		

3. Fees when the FIN-FSA processes the IRBA application in cooperation with other supervisors

The EU Capital Requirements Regulation requires that decisions on permissions to cross-border supervised entities and consolidation groups are made in cooperation with the supervisors of the other countries involved. The cooperation shall be coordinated by the supervisor of the credit institution's home country. The FIN-FSA follows the principles below in processing applications for the IRBA permission of supervised entities with a foreign parent company.

The FIN-FSA charges a processing fee of a size that depends on the processing costs for the IRBA application. The costs depend on whether the FIN-FSA participates in a joint IRBA permission granting process



or only studies material received from the home country supervisor. The decision to grant or refuse the permission is made in cooperation with the other supervisors, but the permission for the group is granted by the home country supervisor. The host country supervisor, on the other hand, grants the permission to introduce the IRBA in individual subsidiaries.

The FIN-FSA has participated in joint permission granting processes concerning foreign credit institutions' subsidiaries/branches of material importance to the Finnish market.

Factors underlying the amount of the processing fee

The factors influencing the fee charged for processing the IRBA application are as follows:

Scope of FIN-FSA participation
Type of IRBA permission
Sequential introduction.

I. Scope of FIN-FSA participation

The FIN-FSA participates in the permission application process as a member of the inspection team when the processing is coordinated by a foreign home-country supervisor and the subsidiary/branch is of material importance to the Finnish market.

The FIN-FSA does not participate in permission inspections of small subsidiaries, but it receives information on the permission granting process and its results from the home-country supervisor. Having studied the information, it confirms the subsidiary's permission to apply the IRBA according to the conditions that the parent company's supervisor has set in its permission.

II. Type of IRBA permission

The processing fees are determined according to the following IRBA permission types:

1. Advanced method (AIRB)
2. Foundation method (FIRB)
3. Additional AIRB permission, when the FIRB permission has already been granted
4. Special permission in connection with the IRBA for use of internal models for equity exposures

III. Sequential introduction

the FIN-FSA sees sequential introduction as a cost increasing factor, because after granting the IRBA permission it has to participate in inspection work concerning the units or exposure categories that were not ready to be assessed when the initial IRBA permission was granted. Thus the granting of the permission cannot be completed as efficiently as in cases when all the methods of the supervised entity or consolidation group are assessed at the same time.

Processing fees

Table 3 shows the processing fees for processing applications concerning the adoption of the IRBA charged from such credit institutions supervised by the FIN-FSA that have a foreign parent company and the processing of whose IRBA permission is coordinated by the home country supervisor.

Table 3

	The FIN-FSA participates in the permission granting process		The FIN-FSA does not participate
In EUR	Basic fee	Additional fee	Processing fee
AIRB	77,500	18,100	2,600
FIRB	62,000	15,500	1,900
Additional AIRB permission	20,000	4,500	650
Special permission	1,900		

The FIN-FSA's IRBA fee has been based on the FIRB permission fee, which amounts to EUR 62,000, an amount that corresponds with the average costs for processing an application. The basic fee is charged for IRBA permissions that do not comprise sequential introduction. The fee for each permission type is based on typical costs in the same way as the FIRB permission fee. The costs increase when the application process comprises sequential introduction.

In cases where the FIN-FSA only studies material prepared by the home country supervisor and confirms the permission in accordance with the decision made by that supervisor, a processing fee is charged in accordance with the fee category specified for the average time required, as shown in Table 3.

The FIRB permission fee for supervised entities and consolidation groups where sequential introduction is applied amounts to $\text{EUR } 62,000 + 15,500 = \text{EUR } 77,500$. Correspondingly, the processing fee for granting an additional AIRB permission to a supervised entity or consolidation group that already has the FIRB permission amounts to $\text{EUR } 20,000 + 4,500 = \text{EUR } 24,500$ if the entity or group switches to AIRB sequentially. Thus the total costs for introducing AIRB via FIRB amount to EUR 102,000.



Appendix 2. Processing fees concerning applications for permission to use the internal ratings based approach (IRBA) According to Article 312 of the EU Capital Requirements Regulation

The FIN-FSA applies the following principles in determining the processing fees for approving the alternative standardised approach (ASA) as referred to Article 319 of the EU Capital Requirements Regulation and the advanced measurement approach (AMA) as referred to in Article 321 of said Regulation.

Section 2.1 describes how fees are determined when the FIN-FSA is the coordinating supervisory authority processing an AMA application and Section 2.2 the situation when the FIN-FSA as the host country supervisory authority grants the permission in cooperation with foreign supervisory authorities. Section 3 deals with ASA applications.

CALCULATION OF THE COSTS BEHIND THE PROCESSING FEE

For the processing of applications for permission to use the AMA or ASA, FIN-FSA charges a processing fee only for the part of the costs exceeding the normal supervision costs.

The processing fees shall be determined on the basis of equal treatment of the supervised entities. No permission is required of supervised entities using the basic indicator and standardised approaches for operational risk. However, the FIN-FSA must also inspect the capital adequacy analysis of the supervised entities applying the new standardised method. This work is paid for by the supervision fees collected by the FIN-FSA.

To ensure equal treatment of the other capital adequacy approaches for operational risk, a certain part of the inspection costs for the AMA or ASA permissions must be covered by a general supervision fee. For the AMA permission only the separate costs are collected as an individual fee. Costs that concern the standardised method and the AMA alike have been estimated to comprise about 20% of the processing costs for the AMA applications. The rest is charged as a processing fee for the application for the AMA permission. Costs for handling matters pertaining to both the ASA and the standardised approach are also covered by normal supervision fees. Then processing fees are used for covering the work described in section 3.

PROCESSING FEES FOR AMA PERMISSIONS

Processing fees when FIN-FSA is the home country supervisor of the supervised entity's parent company

The size of the supervised entity cannot be regarded to affect the processing fee of the advanced approach application as in the IRBA application for credit risk. But the following factors can affect the fee charged for processing the AMA application:

- A. The supervised entities or consolidation groups include foreign subsidiaries and branches. In these cases, the granting process is carried out in cooperation with foreign supervisors and the work requires more resources as well as efforts by the FIN-FSA to coordinate the work of the different supervisors.
- B. The supervised entity or consolidation group may introduce the AMA sequentially. The FIN-FSA must then continue its inspections in the units that were not ready to be assessed when the initial AMA permission application was processed. The FIN-FSA has to earmark resources for inspections in the next



few years and cannot perform the permission process as efficiently as it could if all methods of the supervised entity or consolidation group were assessed at the same time.

The costs for processing the AMA application are used as the basis for the processing fees. The processing of an AMA permission has been calculated to cause separate costs of EUR 129,100. The permission costs increase as and to the extent that the application includes the further cost factors A and/or B.

The list below shows processing fees for AMA permissions to supervised entities. The further cost factors A (foreign subsidiaries) and B (sequential introduction) affect the size of the fee. There is also a fee for cancelling the permission.

All groups of supervised entities		Additional fee	
	Basic fee, EUR	Foreign subsidiaries (A)	Sequential introduction (B)
Advanced Measurement Approach AMA	129,100	25,800	25,800
Cancellation of permission	25,800		

Processing fees when the FIN-FSA is the host-country authority

In cross-border supervised entities and consolidation groups, the AMA permissions are granted as cooperation between supervisors in the countries involved. The cooperation shall be coordinated by the supervisor of the supervised entity's home country. The FIN-FSA follows the principles below in granting the AMA permission to a supervised entity with a foreign parent company. Permission for the group is granted by the home country supervisor. The host country supervisor, on the other hand, grants the permission to introduce the AMA in individual subsidiaries.

The FIN-FSA charges a processing fee of a size that depends on the costs of the permission granting process. The costs depend on whether the FIN-FSA participates in a joint AMA permission granting process or only studies material received from the home country supervisor. Whether the approach is introduced sequentially or not also affects the size of the fee.

The FIN-FSA participates in the permission application process as a member of the inspection team when the processing is coordinated by a foreign home-country supervisor and the subsidiary is of material importance to the Finnish market. The FIN-FSA does not participate in permission inspections of small subsidiaries to the same extent. The FIN-FSA receives information on the permission granting process and its results from the home-country supervisor. Having studied the information, it confirms the subsidiary's permission to apply the AMA according to the conditions that the parent company's supervisor has set in its permission.

However, the FIN-FSA does not charge a separate processing fee, if a foreign supervised entity operates through a branch in Finland.

The FIN-FSA sees sequential introduction as a cost increasing factor, because after granting the AMA permission it has to participate in inspection work concerning the units or exposure categories that were not ready to be assessed when the initial AMA permission was granted. The FIN-FSA has to earmark resources



for inspections in the next few years and cannot perform the permission process as efficiently as it could if all methods of the supervised entity or consolidation group were assessed at the same time.

In cases when the FIN-FSA participates in the permission granting process, the fees are based on a cost analysis of the separate costs caused by the process. Both the basic fee and additional fee has been chosen as 45% of the AMA application processing fee as presented in section 2.1

In cases where the FIN-FSA does not participate in the permission granting process but only studies material prepared by the home country supervisor and confirms the permission in accordance with the decision made by that supervisor, a processing fee is charged in accordance with the fee category specified for the average time required.

The following table below shows the AMA permission fees for such credit institutions supervised by the FIN-FSA that have a foreign supervised entity and whose AMA permission is granted in a process coordinated by the home country supervisor.

All groups of supervised entities			
The FIN-FSA participates in the permission granting process			The FIN-FSA does not participate
	Basic fee, EUR	Additional fee, EUR (sequential introduction)	Processing fee
Advanced Measurement Approach AMA	58,100	11,600	2,600

PROCESSING FEES FOR ASA PERMISSIONS

Processing fees when the FIN-FSA is the home country supervisor of the supervised entity's parent company

The size of the supervised entity cannot be regarded to affect the processing fee of the ASA application. The fees are based on a cost analysis of the separate costs caused by the process. An additional fee is charged for the ASA application process, if the consolidation group has foreign subsidiaries or branches. In these cases, the granting process may be carried out in cooperation with foreign supervisors and the work requires more resources. The granting process in cooperation with foreign supervisors is not regulated in the same way as the AMA process.

The processing fees for granting ASA permissions have been listed in the below table. There is also a fee for cancelling the permission.

All groups of supervised entities		
	Basic fee, EUR	Additional fee, EUR (foreign subsidiaries)
Alternative Standardised Approach ASA	22,000	3,900
Cancellation of permission	3,900	



Processing fees when the FIN-FSA is the host-country authority

In cross-border supervised entities and consolidation groups, the ASA permissions may be granted in co-operation between supervisors in the countries involved. The FIN-FSA charges a processing fee of a size that depends on the costs of the permission granting process. The costs depend on the extent to which the FIN-FSA participates in a joint ASA permission granting process. The FIN-FSA participates more extensively in the permission application process when the processing is coordinated by a foreign home-country supervisor and the subsidiary is of material importance to the Finnish market.

In cases where the FIN-FSA participates in the permission granting process in cooperation with foreign authorities, the fees are based on a cost analysis of the separate costs caused by the process. In cases where the FIN-FSA does not extensively participate in the permission granting process a processing fee based on the average time required is charged.

The following Table below shows the ASA permission fees for such foreign supervised entities supervised by the FIN-FSA whose ASA permission is granted in a process coordinated by the home country supervisor.

All groups of supervised entities		
The FIN-FSA participates extensively in the permission granting process		The FIN-FSA does not participate
	Basic fee, EUR	Processing fee
ASA	9,700	1,900



Appendix 3. Processing fees concerning applications for permission to use internal models for market risk according to Article 363 of the EU Capital Requirements Regulation

By virtue of Article 363 of the EU Capital Requirements Regulation, the FIN-FSA can grant a permission for the use of an internal model for calculating own funds requirements for the position risk in the trading book and for foreign exchange risk and commodities risk.

Section 1 below describes how processing fees are determined in situations where FIN-FSA processes the application alone and Section 2 the situation where the FIN-FSA grants the permission as the host-country authority in coordination with foreign supervisors.

The FIN-FSA as the parent company's home-country supervisory authority

Basic fee

The basic fee is charged for an application for permission to use the internal model when the supervised entity does not have a foreign subsidiary. The basic fee for the use of internal model is the same for a supervised entity that does not have a consolidation group and for a consolidation group that consists of only the parent company and domestic subsidiaries. The basic fee covers for the use of internal model in the calculation of position risk, foreign exchange risk and commodities risk.

Additional fees

The FIN-FSA can grant permission for the use of internal model in the entire consolidation group, on joint application by the parent company of the consolidation group and all its subsidiary credit institutions and subsidiary investment firms. If the consolidation group includes foreign subsidiaries domiciled in another EEA member state, consent by the supervisory authority of the foreign subsidiary is also required. An additional fee in accordance with Table 1 is added to the basic fee for internal model if the application includes foreign subsidiaries.

In a situation when the supervised entity introduces the internal model sequentially, a processing fee based on the time required, in addition to the basic fee, is charged in accordance with the fee specified for the average time required. The additional fee based on the time required is charged e.g. in a situation when the model is extended to new risk areas or categories of instruments.

Cancellation of permission

The FIN-FSA will charge the supervised entity a fixed processing fee (Table 1) if the FIN-FSA, on application by the supervised entity, cancels the permission for use of internal model.

Size of the supervised entity

Fees in accordance with Table 1 are charged from supervised entities whose balance sheet total amounts to a minimum of EUR 10 billion. For supervised entities who fall under the threshold, the fee is 50% less than the fees listed in Table 1. The balance sheet total does not affect the additional fee charged for the sequential introduction, as the size of the additional fee is based on the time required.



Table 1 Processing fees when FIN-FSA is the home-country authority

Internal model	Basic fee	Additional fee sequential introduction	Additional fee for foreign subsidiaries
Handling of permission applications	EUR 129,100	EUR 133/h for processing work performed	EUR 25,800
Cancellation of permission	EUR 25,800		

The FIN-FSA as the host supervisory authority

Table 2 shows the processing fees for the internal model for market risk for Finnish subsidiaries of a foreign parent company whose permission is granted in a process coordinated by the home country supervisor.

When the FIN-FSA participates, as a member of the inspection team, in the processing of permission applications in cases where the processing is coordinated by a foreign home-country supervisor, a processing fee will be charged in accordance with Table 2 if the balance sheet total of the supervised entity amounts to a minimum of EUR 10 billion. For supervised entities falling under the threshold, the fee is 50% less than the fees listed in Table 2.

In a situation where the supervised entity introduces the internal model sequentially, a processing fee based on the time required is charged. The balance sheet total does not affect the additional fee charged for the sequential introduction, as the size of the additional fee is based on the time required.

If the FIN-FSA does not, as the host supervisory authority, participate in the permission granting process, a fixed processing fee of EUR 2,600 is charged for confirming the permission.

Table 2. Processing fees where the FIN-FSA is the host-country authority

Internal model	The FIN-FSA participates	The FIN-FSA does not participate
Basic fee	EUR 64,600	EUR 2,600
Additional fee sequential introduction	EUR 133/h for processing work performed	-



Appendix 4. Processing fees concerning applications for approval of a full or partial internal model as referred to in chapter 11, section 19 of the Insurance Companies Act, and internal model for groups as referred to in chapter 26, section 28 of the Insurance Companies Act

In determining the fees for processing applications for the use of internal models, the FIN-FSA observes the following principles. Section 2 below discusses the determination of processing fees in situations where the FIN-FSA is the sole processing authority, while section 3 discusses situations where the decision on the application for approval of internal models is taken jointly with foreign supervisory authorities as referred to in chapter 26, section 28 of the Insurance Companies Act.

On the calculation of costs forming the basis for the processing fee

For decisions related to permissions, the FIN-FSA collects a fee under the Act on Charge Criteria. This applies to both positive and negative decisions. If the processing of an application for permission is interrupted upon the applicant's withdrawal of the application, a fee is collected for the processing hours up to the point of withdrawal. This also applies to situations where the supervised entity takes a decision in the pre-application stage not to submit an official application.

The working hours completed in the pre-application stage are always included in the calculation of the amount of the processing fee to be collected.

The fee is determined on the basis of hours worked in the processing of the preliminary application and/or the final application. The price of a working hour equals the FIN-FSA cost price.

A maximum price has been defined for the permission fee, which is based on an estimate of the maximum working hours required for processing and the cost of a person-day.

In the pre-assessment stage, registration of working hours starts the moment the FIN-FSA receives a request from an insurance undertaking to initiate pre-assessment of the internal model or when the actual application for approval is submitted. Registration of working hours ends when the FIN-FSA, to complete the pre-assessment stage, issues a written assessment on the company's readiness to submit a complete application for approval of internal models, or a decision on the approval of the model.

Fees when the FIN-FSA processes the application alone

Factors underlying the amount of the processing fee

The maximum amounts of processing fees (EUR) depend on the coverage of the models (number of risks to be modelled) and the size of the insurance undertaking, as follows:

Maximum price	Number of risks to be modelled	
	1	2-
Small undertaking	122.000	366.000
Large undertaking	366.000	610.000

The coverage of the internal model is assessed against the number of individual risks modelled,

including insurance risk (non-life insurance risk, life insurance risk and health insurance risk), market risk, credit risk and operational risk.

Insurance undertakings are divided into small and large undertakings on the basis of the following criteria:

Small undertaking:	life insurance undertakings with technical provisions amounting to less than EUR 1,000 million non-life insurance undertakings with premiums written amounting to less than EUR 100 million
Large undertaking:	life insurance undertakings with technical provisions amounting to EUR 1,000 million or more non-life insurance undertakings with premiums written amounting to EUR 100 million or more

Internal models for groups under chapter 26, section 28 of the Insurance Companies Act are considered comparable to internal models of large undertakings.

The FIN-FSA's fees for joint processing of applications for adoption of internal models

In cross-border groups of supervised entities, the decision on an application for adoption of a full or partial internal model is taken jointly with the supervisors of the different countries involved. The cooperation is coordinated by the authority responsible for consolidated supervision. The FIN-FSA observes the following principles when granting approval for the use of an internal model to a supervised entity the parent company of which is a foreign company.

The FIN-FSA charges a processing fee of a size that depends on the costs of the permission granting process. The decision to grant or refuse the permission is made in cooperation with the other supervisors, but the permission for the group is granted by the home country supervisor. The host country supervisor, on the other hand, grants the permission to introduce the AMA in individual subsidiaries.