

Response template

Completing this questionnaire - instructions

Please provide your completed response to the Call for Information by 5pm on Tuesday 1 October 2019. You should send your response to [CRMFcall@wearepay.uk](mailto:regulatoryengagement@wearepay.uk).

Please provide your response in a Word document.

Where information you provide is commercially sensitive, please identify it by labelling it [CONFIDENTIAL] and yellow-highlighting it in the Word response.

Should we receive responses to this Call for Information relating to the merits of alternatives model we will pass these comments on to UK Finance for its consideration – if you want your views to be shared with UK Finance on an anonymised basis please indicate this in your response.

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| **About you** | |
| **Name:** |  |
| **Email address:** |  |
| **Telephone:** |  |
| **About your business** | |
| **Company name:** |  |
| **Participant type:** |  |
| **Confidentiality** | |
| **Does your response contain confidential information?** | YES/NO |
| **Do you want your responses to this Call for Information relating to the merits of alternatives models to be passed on to UK Finance for its consideration on an anonymised or attributed/names basis?** | ANONYMISED BASIS / NAMED OR ATTRIBUTED BASIS |
| **Overall view of the proposal** | |
| **Do you support the proposed rule change?** | YES/NO |
| **Please give a brief summary of your reason.** |  |
| **Question Group A - The use of the FPS Rules to support a voluntary industry initiative** | |
| **A1) What are your views on using an FPS Rule to provide a funding mechanism for the Code’s no-blame fund?** |  |
| **A2) If you are a PSP, what are your views on paying a CRM Fee?** |  |
| **A3) If you are a PSP, would the implementation of the proposed FPS Rule have any cost implications for you (other than the CRM Fee itself)?** |  |
| **A4) What are you views on the interaction between the proposed FPS Rule and the proposed FPS CRM Fee Governance Group?** |  |
| **A5) If you are a PSP, do the proposed governance arrangements to deal with changes to the CRM Fee provide you with sufficient ability to be able to influence and manage fluctuations in the level of the CRM Fee?** |  |
| **Question Group B – End-user benefit** | |
| **B1) Do you think that the proposed rule supports improved consumer outcomes? Does this vary depending on whether the consumer’s PSP has or has not signed up to the Code?** |  |
| **B2) Would the proposed rile create incentives for PSPs to invest further to help reduce fraud for their own customers?** |  |
| **B3) Are these improved consumer outcomes dependent on the proposed CRM Fee, or do you think that there are alternative ways that these improved consumer outcomes could be delivered (e.g. a different FPS rule or other means altogether)? Please provide an explanation of your view.** |  |
| **B4) How do you currently plan to ensure your customers are reimbursed in ‘no blame’ situations? Would this change if the proposed FPS Rule were (or were not) implemented?** |  |
| **Question Group C - Competitive effects** | |
| **C1) What are your views on the FPS Rule being used to fund reimbursement in relation to no blame APP Scams executed over FPS, CHAPS and on-us transactions?** |  |
| **C2) What are your views on the likely development of the level of no blame APP Scams executed over FPS, CHAPS and on-us transactions in the future?** |  |
| **C3) Do you think the CRM Fee would cause your firm, or PSPs generally, to consider using alternative payment systems for transactions?** |  |
| **C4) If you are a PSP, and given your particular business model and use of FPS, do you think the CRM Fee would have a noticeable effect on your overall costs? (How would these costs compare to those you would incur through the approach you described at B4?)** |  |
| **C5) Do you think that uncertainty over the future level of the CRM Fee would create challenges for your firm or PSPs generally? (How does this compare to the uncertainty attached to the approach you described at B4?)** |  |
| **C6) What are your views on using the volume of transactions as the basis for calculating the CRM Fee, or would a different metric be better?** |  |
| **C7) What are your views on the calculation of the CRM Fee being based on sending transactions only as opposed to applying on both sending and receiving transactions?** |  |
| **C8) Do you think that there will be any cross-subsidisation between PSPs and, if so, would this be likely to be significant?** |  |
| **C9) If you are a PSP - in the case of a large APP scam, do you value the risk-sharing or insurance element of the no blame fund or would there be alternative ways you could offset this risk and maintain the same protection for consumers (without recourse to the no blame fund)?** |  |
| **C10) Are there other benefits of sharing the risk of no blame APP scams that Pay.UK should be aware of?** |  |
| **Question Group D – Proportionality** | |
| **D1) What are your views on the principle of having exemptions from the requirement to fund the no blame pot?** |  |
| **D2) What are your views on exempting Payments Originating Overseas and Returns from the CRM Fee? Do you have any evidence that this would be an appropriate exemption?** |  |
| **D3) What are your views on exempting small FPS Direct Participants from making a contribution to the no blame fund? Do you have any evidence that this would be an appropriate exemption?** |  |
| **D4) What are your views on using 100,000 as the level of transactions at which to set such an exemption?** |  |
| **D5) What are your views on exempting PSPs who do not have current or payment account offerings? Do you have any evidence that this would be an appropriate exemption?** |  |
| **D6) What are your views on exempting transactions to pre-set accounts from the CRM Fee? Do you have any evidence that this would be an appropriate exemption?** |  |
| **D7) What are your views on exempting individual transactions below £30 from the CRM Fee? Do you have any evidence that this would be an appropriate exemption?** |  |
| **D8) Is £30 the appropriate cut off point for any low value payment exemption or should this be set at a higher or lower level?** |  |
| **D9) Are there any exemptions that are missing, in particular any the lack of which could make the proposed funding mechanism disproportionate for any particular PSPs or transactions?** |  |
| **D10) What are your views on the proposed FPS Rule retrospectively funding the interim no blame fund?** |  |
| **Question Group E – Operational and practical considerations** | |
| **E1) Can you foresee any challenges from an operational or practical perspective in implementing and administering the proposed arrangements that Pay.UK should be aware of?** |  |
| **E2) If you are a PSP, are there any tax implications for you relating to the payment of the CRM Fee and the making of claims from the no blame fund?** |  |
| **E3) What are your views on the administrative costs associated to operating the no blame fund?** |  |
| **E4) What are your views on the proposed enforcement process? Do you have any other suggestions for how the CRM Fee should be enforced?** |  |
| **E5) Would the proposed enforcement process be effective in cases of non-payment of the CRM Fee?** |  |
| **E6) What would be your views on Pay.UK sanctioning an FPS Participant for failing to comply with an FPS rule requiring a contribution to a funding mechanism for a voluntary industry Code?** |  |
| **E7) What are your views on the proposed different escalation process for the proposed FPS Rule compared to Pay.UK’s normal escalation and sanctions processes?** |  |
| **Other (please provide any other comments you have here** | |
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