

SCHEDULE 2

Capital Requirements

PART 2

Own funds

Method B

- 21.**—(1) “Method B” means the calculation method set out in this paragraph.
- (2) The own funds requirement is the sum of the following elements multiplied by the scaling factor—
- (a) 4% of the first 5,000,000 euro of payment volume;
 - (b) 2.5% of the next 5,000,000 euro of payment volume;
 - (c) 1% of the next 90,000,000 euro of payment volume;
 - (d) 0.5% of the next 150,000,000 euro of payment volume; and
 - (e) 0.25% of any remaining payment volume.
- (3) “Payment volume” means the total amount of payment transactions that are not related to the issuance of electronic money executed by the authorised electronic money institution in the preceding financial year divided by the number of months in that year.
- (4) The “scaling factor” is—
- (a) 0.5 for an authorised electronic money institution providing a payment service specified in paragraph 1(f) of Schedule 1 to the Payment Services Regulations 2009;
 - (b) 0.8 for an authorised electronic money institution providing the payment service specified in paragraph 1(g) of Schedule 1 to those Regulations; and
 - (c) 1 for an authorised electronic money institution providing any other payment service.