

WILLIS HUMAN CAPITAL & BENEFITS IRELAND LIMITED

REPLY TO CONSULTATION PAPER 133

**CONSULTATION ON ENHANCEMENTS TO THE CENTRAL BANK CLIENT ACCOUNT REQUIREMENTS,
AS CONTAINED IN THE CENTRAL BANK INVESTMENT FIRMS REGULATIONS**

- Q1 No relevant to our firm's business ("Not Relevant").
- Q2 Not Relevant
- Q3 Not Relevant
- Q4 Not Relevant
- Q5 Not Relevant
- Q6 Not Relevant
- Q7 Not Relevant
- Q8 Not Relevant
- Q9 Not Relevant
- Q10 Not Relevant
- Q11 Not Relevant
- Q12 Not Relevant
- Q13 Not Relevant
- Q14 Not Relevant
- Q15 Not Relevant
- Q16 Not Relevant
- Q17 Yes, we would agree with the proposal that an investment firm would have to notify the Central Bank of its intention to effect a material transfer of client assets at least 3 months in advance of the transfer taking place. It would be best practice at the moment to notify the Central Bank of such a transfer once such a transfer becomes known.
- Q18 Yes, we would agree with the proposal to include a reference to a transfer of business in regulation 59(1)(d)(iv) of the CAR. This would be regulating current best practice.
- Q19 Yes, we would agree with the Central Bank's proposals to enhance the CAR guidance in order to support investment firms in respect of orderly transfer of client assets.
- Q20 Our only concern is where a client does not agree to the proposed transfer but does not request the return of the funds. The investment firm would have to be authorised to return the funds in a scenario where the client does not request a return of the funds.
- Q21 We would welcome CAR guidance to support investment firms in managing the approach to uncontactable clients during a transfer of business.

- Q22 Whilst we would agree with the expectation that client funds should be deposited directly into a third-party client account, this is not something that the investment firm can control. Almost all funds are deposited directly into a third party client account, however, there are instances (no matter how often clients are advised otherwise) where the client will deposit client funds into an investment firm's own account and this is not something the investment firm has control over.
- Q23 Not Relevant
- Q24 Not Relevant
- Q25 Not Relevant
- Q26 Not Relevant
- Q27 Not Relevant
- Q28 Not Relevant
- Q29 Not Relevant
- Q30 Not Relevant
- Q31 Not Relevant
- Q32 Not Relevant
- Q33 We would agree with the Central Bank's proposals for investment firms to maintain a record of the actions it has taken in respect of the remediation of a reconciliations difference or discrepancy. This would be regulating current best practice.
- Q34 Not Relevant
- Q35 We would agree with the Central Bank's proposal to enhance the CAR to require investment firms to develop and maintain a Client Asset Applicability Matrix within the CAMP. This will assist investment firms to review their business lines and products and services on a regular basis.
- Q36 Not Relevant
- Q37 We would agree with the Central Bank's proposal for investment firms to include a reference to the location of its internal client asset breach and incident log in the CAMP. This would be regulating current best practice.
- Q38 We would agree with the Central Bank's proposal for investment firms to include the information set out in paragraph 1(9) of Schedule 3 to the MiFID Regulations in the CAMP.
- Q39 We would agree with the proposed CAR guidance as set out.
- Q40 If the proposed enhancements suggested in Q39 are put through we do not think that there are any other changes which need to be included in the CAMP.
- Q41 We would agree in principle with the Central Bank's proposed approach for the CAR guidance on the structure of the CAMP. However, we would not be in favour of rigidity around the structure of the CAMP.

- Q42 We would be in agreement to the Central Bank's proposal to grant a 12 month transitional period following the publication of the third edition of the Investment Firms Regulations for investment firms to comply with the revised CAR as there is a significant amount of work involved in updating the CAMP and procedures to comply with the proposed amendments.
- Q43 We do not envisage any challenges in reporting in paragraph 171 on a monthly basis.
- Q44 We have not identified areas of the Client Asset Regime that warrants consideration further than those outlined by the Central Bank in this consultation paper.
- Q45 Not Relevant
- Q46 Not Relevant.