



**Regulatory Risk**

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Consumer Protection Codes Department  
Central Bank of Ireland  
PO Box 9138  
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Dublin 2

10 January 2011

**Re: CP47 Review of the Consumer Protection Code**

Dear Sir / Madam

I refer to the Central Bank and Financial Services Authority of Ireland's Consultation Paper 47 reviewing the Consumer Protection Code.

I welcome the opportunity to respond to the proposals outlined, and am please to attach Ulster Bank's submission on the issues and draft requirements outlined in the Paper.

Ulster Bank has always placed the requirements of the Consumer Protection Code in the highest regard, and we seek to ensure our customers are treated fairly and well (and our recent launch of our 15 customer commitments show how seriously we want to make sure this happens).

We believe it is in everyone's best interests for a statutory code to be in place which ensures customers are correctly protected with practical and measured standards of minimum behaviour expected of financial services providers operating in the State.

In this regard, we have raised a number of concerns and queries in relation to the draft requirements, and where possible we have provided possible alternative approaches which we believe may meet your regulatory objectives and be more practical from an implementation perspective, or highlighted areas where we feel further discussion or consideration may be required. In areas where we feel further clarity is needed, we believe further limited consultation may be beneficial.

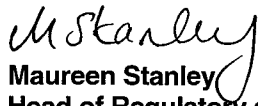
Given the complexity of issues raised, and the large number of areas where we believe further detailed discussion is merited, we would ask that the next stage of this process would not be the issuing of final requirements, and that discussions with stakeholders around submissions made (either directly or through representative bodies) would happen before a further wave of consultation (with revised and clarified proposed changes) is carried out.

In addition, we ask for consideration in respect of the necessary timescale to implement changes on publication of the final rules. It is to the benefit of all stakeholders for the relevant changes to be implemented in a correct and considered manner, and consequently the compliance timeline for implementation should allow for sufficient discussion between industry and the regulator around interpretation and clarity of the final rules, and thereafter to make the necessary information technology, documentary, policy, and procedural changes, and roll out of training and awareness to ensure proper implementation of the new rules.

I trust that our submission will be useful to you in considering and progressing your review of the Code.

Ulster Bank would like to meet with you to discuss any matter raised in our consultation which you have questions about, or in respect of any matter of the proposals. If you have any further queries, please do not hesitate to contact Barry Rojack, Upstream Risk Manager, Group Regulatory Risk on 01 6084055 or by e-mail at [barry.rojack@ulsterbank.com](mailto:barry.rojack@ulsterbank.com)

Yours sincerely

A handwritten signature in black ink, appearing to read 'M Stanley', with a stylized flourish at the end.

**Maureen Stanley**  
**Head of Regulatory and Operational Risk**

**Ulster Bank Group response to Consultation Paper 47 (CP47): Review of Consumer Protection Code**

UBG welcomes the opportunity to discuss the proposed changes outlined in CP47.

Our response to this CP47 is broken down as follows:

1. Introduction
2. General approach to consultation
3. Issues arising under the draft revised CPC (on a chapter-by-chapter basis)

If you have any further queries regarding this submission, please contact Barry Rojack, Upstream Risk Manager, Ulster Bank Group Centre, George's Quay, Dublin 2. We would like to meet in person to go through any aspects of our submission which you require further clarity on, or wish to discuss further. This would provide a more practical and time-efficient basis for you to understand our concerns and develop reasonable solutions.

## **1. Introduction**

### ***Overview of Ulster Bank Group***

Ulster Bank was founded in 1836 and is part of the Royal Bank of Scotland Group ('RBS'). Across the Republic of Ireland and Northern Ireland Ulster Bank employs approximately 6000 people who serve approximately 1.9 million personal and business customers through 295 branches and business banking offices. Throughout the changing market conditions, Ulster Bank continues to enjoy the strong support of its parent RBS (which itself continues to be supported by the UK government). Ulster Bank remains focused on the needs of its customers and will continue to provide both business and personal customers with the highest standards of service.

### **Review of the Consumer Protection Code (CPC) Consultation Paper (CP) 47**

Ulster Bank was actively involved in discussions during the consultation period and final drafting of the original Consumer Protection Code in 2006, both directly and in discussions with the Irish Banking Federation.

Similar to the exercises carried out in 2006, we have conducted a number of internal discussions and workshops aimed at teasing out, at a high level, the practical implications of the proposals outlined in this consultation, with a view to identifying the extent to which any of the proposals may not be practically feasible, or where there may be an alternative approach better suited to meeting the regulatory concern you wish to address.

We hope that our input and understanding of matters, insofar as they affect a key Irish financial institution which is part of a large international Group, will be of some help to you in developing your thoughts and ultimately in shaping your final requirements.

## **2. General approach to consultation**

We note from your three recent consultation papers (CP47, CP46 and CP45) that a new approach appears to be emerging whereby the first part of the CP provides a brief summary of some of the changes proposed, a second section which calls out specific additional issues of concern to you, and an appendix including an unmarked reissued draft of the full rulebook being consulted on.

This approach is problematic in that it is very difficult to call out precisely what the full range of changes being made is. Large documents with a myriad of changes affecting different areas (such as the revised CPC) further add additional pressure in trying to identify relevant issues, bringing them to the surface, discussing them internally and externally in a meaningful way, and developing possible alternative approaches which meet your regulatory concerns while being more practically workable for industry.

We would request that, in line with regulatory best practise worldwide, future CPs dealing with changes to existing rules or codes either call out each and every change being made in the first section (rather than just a small selection), and / or provide marked up versions of the existing rules as changed by the proposed new text (possibly using strikethrough font on text being removed and underlined, bold italicised font on new wording being introduced, or both; or alternatively using a colour coded system), and explaining the rationale for the change in each case.

This would ensure that all stakeholders can easily identify the changes being proposed and identify the impact and issues raised by the proposed new rules in a timely and considered way

It would also allow stakeholders to propose alternative approaches which might also meet your regulatory objectives in making the change.

An example is provided in Appendix 1 of a marked up comparison document showing where the old Code aligns with the new code, and where different sections have been expanded or otherwise changed (we have not addressed what the possible reason for the changes may be) – we have used a colour coded system for comparison purposes.

In the absence of this being present for the CP47 proposals, we would respectfully request either a re-issuance of the revised text with clear identification of all changes (and the regulatory rationale and objectives behind them) and a short limited further consultation stage for the benefit of any stakeholders who may not have realised the extent and nuances of changes being made, or further consultation with this level of detail on some of the specific areas where we have asked for further discussions.

### **3. Issues arising under the draft revised CPC (on a chapter-by-chapter basis)**

#### ***Chapter 1 Scope***

- ***Effect on commencement on existing products and services***

We would ask that the effect of the requirements in the code on existing products or services be considered and outlined in full in the final requirements. As it will not always be appropriate for all rules to apply to existing books, we would ask for a specific list of requirements which apply to new customers only, and others which apply to existing customers, to be outlined in Chapter 1, in respect of different product and service types.

- ***Territorial Scope***

We note the application of the Code has been subtly changed from applying to “customers (General Principles) / consumers (other chapters) in State” to applying to “all customers (General Principles) / consumers (other chapters)”. While noting that the same general exclusion applies to “services provided to persons outside the State”, to avoid any confusion between the provision of products or services, we would ask that either the application of the code is changed back to the original wording, or, alternatively, the exclusion is changes to “Products or Services provided by regulated entities to persons outside the State”.

▪ ***Consumer Credit Regulations exclusions***

We note that a pan-European standard for the advertising and supply of consumer credit was established under the Consumer Credit Directive (implemented in Irish law under the E.C. (Consumer Credit Agreements) Regulations 2010 (CCR)), and that as that is a maximum harmonisation Directive, there is a general prohibition on additional requirements being placed on the provision of consumer credit within the scope of that Directive (which constitutes a large majority of that market, excluding mortgages).

We had hoped that the position of the regulator and the Department of Finance would be to try to create a universal system of regulation for affected products. However, we note that the approach taken by the CPC CP is such to maintain an arbitrary dichotomy between the advertising and sale of CCR-personal credit and non-CCR personal credit where the underlying products are essentially identical.

For consumers (non-business customers in particular), this creates the potential for confusion and misunderstanding, and for industry it maintains a two-tier system which is systemically difficult to support from an information technology perspective, and which is difficult to explain or justify.

We would ask that the approach to be taken should be to aim to create a universal regime for consumer credit products (other than mortgages) in line with the CCR requirements.

▪ ***Position of business customers under the CPC***

We note the scope of the CPC, in conjunction with the definition of consumer, still seeks to apply the full rigour of consumer protection to business customers. While we understand there are policy concerns underlying an approach which seeks to provide small-to-medium protection akin to those available to consumers acting in a private capacity, we do not believe it is appropriate or necessary for such protection to be extended to large partnerships such as solicitors or accountancy firms who have a keen knowledge of financial services law and ample financial means to avail of any specialised advice required. Consequently, we would ask that the scope of the code, through amendment of the definition of consumer, be changed such that any customer acting in a business capacity is not subject to the Code where they have an annual turnover of 3 million Euro or more.

▪ ***Bureaux de Change business***

We note that Bureaux de Change business is now listed as an excluded service from the CPC, however it is no longer defined. In the absence of any definition, it is not clear to what

extent business that involves foreign exchange is in or out of scope. We would ask that this be clarified as there are a number of requirements in the CPC that specifically relate to foreign exchange, and as things stand this inconsistency in approach is difficult to reconcile.

### **Chapter 3 Common Rules**

#### **▪ Prompt and proper processing of, and acting on, instructions from consumers**

The new requirement under Requirement 3.2 to notify consumers where an instruction from them cannot be acted on within 2 business days presents a number of challenges, some insurmountable, in the banking world, depending on what you view as “an instruction”, and what you view as “acting on” such instruction.

Where:

- there may be physical movement of items from one location to another (e.g. moving payment instruments or application forms from one geographic location to another, or alternatively if a letter from a customer is incorrectly addressed, or purely sent to the bank with no recipient or department named); and / or
- the underlying process may take a number of days to complete due to heavy manual work required and / or a reliance on 3<sup>rd</sup> parties and / or where a risk of fraud or money laundering or other tangible risk exists and needs to be mitigated, (such as the credit assessment process, use of external payment, clearing or settlement systems (such as cheques, drafts or certain international payments, opening and closing accounts);

the instruction concerned would often not be expected by a customer to be completed within 2 days, and this would not often be possible in any event.

Where a customer would not reasonably expect the instruction to be acted on within 2 business days, or when an element of the processing is reliant on a 3<sup>rd</sup> party completing an action outside of the bank’s control (which would include some of those examples outlined above), it would be unnecessary and unreasonable to expect the bank to outline the reason for the delay and confirm when it will be processed.

As a result, we would ask for a tight definition of what an “instruction” is for the purpose of this rule, limited to areas where you have seen real evidence of problems arising. We would also ask for a proper definition of “acted on” for this purpose – for example, acted on could mean some action has been taken towards fulfilling an instruction, but on the other hand it could also mean the instruction must actually be fulfilled within 2 days. There are many examples in everyday banking where an instruction could take longer than 2 days to complete, but would be expected to have been initiated within 2 days of receipt (to the correct address)

Wider concerns arise on a similar basis in respect of the requirement under 12.2 to document all instructions from or on behalf of a consumer. We would request that requirement 12.2 should be removed, or at least that a tight definition of what an

“instruction” is for the purpose of this rule would be provided, limited to areas where you have seen real evidence of problems arising.

▪ ***Issuing receipts for negotiable / non-negotiable instruments received***

Our understanding is that the expanded Requirement 3.4 reflects the statutory requirement for intermediaries to provide detailed receipts for money received which is due to be passed on to a third party for the subsequent provision of a product. As such, a receipt of such detailed nature would be inappropriate for standard banking transactions, notwithstanding the fact that such payments may be for a financial product or service (e.g. a loan repayment or deposit to a savings account), either on an individual lump-sum or regular basis. Consequently, we would request that payments made in the context of banking products or services should be removed from the scope of this requirement.

▪ ***Requirement for CPC-required “warnings” to be in a box, separate to other information, and appearing alongside the benefits of products***

Requirement 3.7 does not indicate what “warnings” are subject to it. The terms warning, statement and notice are used interchangeably throughout the Code. In some cases, specific wording is provided, whereas in others there is a general instruction to warn customers but no specific wording is provided. It would help if this provision identified specifically which CPC warnings are covered.

In addition, it is unclear in respect of some of the warnings where the corresponding “benefit” would be that it needs to be placed beside (for example, the warning required to be given to guarantors under Requirement 4.40), or how it can be placed directly beside benefits when, for example, it is explicitly required to be placed on an application form (e.g. Requirement 4.61(c)).

To assist in your analysis, at least the following CPC requirements included in CP47 could be captured by Requirement 3.7 as currently written. We have used the inclusion of the word “warn” in the relevant provision as indicative of a “warning” for the purpose of this list, however you may have intended on others to also be included.

CPC	Type of	Wording of requirement
CP47	information	

Req 4.30	Fixed worded “statement”	A regulated entity must include the following statement with all illustrations:  Warning: These figures are estimates only. They are not a reliable guide to the future performance of your investment.
Req 4.39	Open worded “warning”	A regulated entity must, before a consumer opens a joint account:  a) warn such consumer of the consequences of opening and operating such a joint account;
Req	Fixed	Where credit is being advanced subject to a guarantee, the



4.40	worded "warning"	<p>guarantee documentation must outline the obligations of the guarantor and must contain the following warning:</p> <p>Warning: As a guarantor of this credit, you will have to pay off the debts of the borrower up to the level of your guarantee, the interest and all associated charges if the borrower does not. Before you sign this guarantee you should get independent legal advice.</p>
Req 4.43	Fixed worded "notice"	<p>Prior to a loan being approved, a regulated entity must explain to a consumer the effect of missing any of the scheduled repayments. This information must be highlighted in any relevant documentation and the following notice must also appear:</p> <p>Warning: If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating.</p>
Req 4.44	Fixed worded "warning"	<p>Where a consumer is not in arrears and a regulated entity is seeking to move a consumer from a tracker rate to an alternative rate, for any reason, the lender must provide the consumer with the following information in writing at least two months before the proposed change, where applicable:</p> <p>a) indicative comparisons of the cost of monthly repayments at the consumer's tracker rate and the alternative rate(s) being offered; and</p> <p>b) details of the advantages and disadvantages of both the tracker mortgage rate compared to the other rate(s) being offered.</p> <p>The following warning should also appear:</p> <p>Warning: By switching to an alternative rate, the tracker rate option will be terminated.</p>
Req 4.45	Fixed worded "warning"	<p>Where a consumer is not in arrears and wishes to change from a tracker rate to an alternative rate, for any reason, the lender must provide the consumer with the information and warning outlined in Provision 44 at least two months before the proposed change, where applicable.</p>
Req 4.61 (c)	Fixed worded "warning"	<p>Before offering an insurance policy where the premium may be subject to review during the term of the policy, a regulated entity must: ...</p> <p>c) include the following warning on the application form for the product:</p> <p>Warning: The current premium may increase after [insert number of years for which the premium is guaranteed] years.</p>

Req 4.64	Fixed worded "warning"	<p>A regulated entity must include the following warning on any information document, application form or any other document given to the consumer in connection with a lifetime mortgage or home reversion agreement:</p> <p>Warning: Purchasing this product may negatively impact on your ability to fund future needs.</p>
Req 6.65 (a), (b), (c), (d), (e)	Fixed worded "statements"	<p>A regulated entity must provide the following information in a prominent position in a tracker bond product brochure, if any, and on a tracker bond application form:</p> <p>a) for investments in products that do not promise the 100% return of a consumer's capital on maturity, the following statement:</p> <p>Warning: The value of your investment may go down as well as up. You may get back less than you put in.</p> <p>b) where the promised return is known but is less than the initial 100% invested the following statement:</p> <p>Warning: If you invest in this product you could lose xx% of the money you put in.</p> <p>c) if the promised 'return of capital' is only applicable on a specific date, this date and the following statement:</p> <p>Warning: If you cash in your investment before [specify the particular date] you may lose some or all of the money you put in.</p> <p>d) if there is no access to funds for the term of the product, the following statement:</p> <p>Warning: If you invest in this product you will not have any access to your money for (insert time required before the product matures).</p>
Req 5.20	Open worded "warning"	<p>In relation to a) above, before providing the product or service the regulated entity must warn the consumer that the regulated entity does not have the information to determine the suitability of that product for the consumer and must obtain written confirmation from the consumer that such warning has been received.</p>
Req 6.10	Fixed worded "notices" / "warnings" / "statements"	<p>In addition to Provision 9 above, a credit card statement must include the following notices, where applicable:</p> <p>a) A notice on interest charged method:</p> <p>Warning: Interest will not be charged on purchases if you pay the full amount shown on your statement by the due date. If the balance is</p>

		<p>not cleared in full, you will be charged interest on the full amount.</p> <p>b) A minimum payment warning:</p> <p>Warning: If you only make the minimum payment each month, you will not clear your balance until [Insert Date]</p> <p>or</p> <p>You will have to pay [€X amount] over [X months] to clear the debt.</p> <p>c) A statement regarding transactions outside the normal spending pattern:</p> <p>You should advise your lender if you will be making transactions outside your normal spending pattern, as unusual transactions may be declined.</p>
Req 10.21	Fixed worded "statement"	<p>Advertisements for a fixed-rate loan must, where applicable, state:</p> <p>Warning: You may have to pay charges if you pay off a fixed-rate loan early.</p>
Req 10.22	Fixed worded "warning"	<p>An advertisement for personal lending must contain the following warning:</p> <p>Warning: If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating.</p>
Req 10.24	Fixed worded "warning"	<p>An advertisement for a debt consolidation mortgage must carry the following warning:</p> <p>Warning: This new loan may take longer to pay off than your previous loans. This means you may pay more than if you paid over a shorter term.</p>
Req 10.25	Fixed worded "warning"	<p>An advertisement for a variable-rate residential mortgage must contain the following warning:</p> <p>Warning: The cost of your monthly repayments may increase – If you do not keep up your repayments you may lose your home.</p>
Req 10.27 (a)	Fixed worded "warning"	<p>An advertisement for an interest-only mortgage must contain the following warning:</p> <p>Warning: The entire amount that you have borrowed will still be outstanding at the end of the interest-only period.</p>
Req 10.27 (b)	Fixed worded "warning"	<p>An advertisement for a lifetime mortgage or home reversion agreement must contain the following warning:</p> <p>Warning: Purchasing this product may negatively impact on your</p>

		ability to fund future needs.
Req 10.29	Fixed worded "warning"	<p>An advertisement for a product where the promised return is known but is less than the initial 100% invested must contain the following warning:</p> <p>Warning: If you invest in this product you could lose xx% of the money you put in.</p>
Req 10.30	Fixed worded "warning"	<p>An advertisement for a product where the promised 'return of capital' is only applicable on a specific date, must contain the following warning:</p> <p>Warning: If you cash in your investment before (specify the particular date) you may lose some or all of the money you put in.</p>
Req 10.31	Fixed worded "warning"	<p>An advertisement for a product where there is no access to funds for the term of the product must contain the following warning:</p> <p>Warning: If you invest in this product you will not have any access to your money for (insert time required before the product matures).</p>
Req 10.33	Fixed worded "warning"	<p>An advertisement which contains information on past performance must contain the following warning:</p> <p>Warning: Past performance is not a reliable guide to future performance.</p>
Req 10.36	Fixed worded "warning"	<p>An advertisement which contains information on simulated performance must also contain the following warning :</p> <p>Warning: These figures are estimates only. They are not a reliable guide to the future performance of this investment.</p>
Req 10.39	Fixed worded "warning"	<p>Where the product that is the subject of the advertisement can fluctuate in price or value, an advertisement must contain the following warning:</p> <p>Warning: The value of your investment may go down as well as up. You may get back less than you put in.</p>
Req 10.41	Fixed worded "warning"	<p>Where a product the subject of an advertisement is described as being likely to yield income or as being suitable for a consumer particularly seeking income and where the income from such product can fluctuate, the advertisement must contain the following warning:</p> <p>Warning: The income you get from this investment may go down as well as up.</p>
Req 10.43	Fixed worded	Where an advertised product or service is denominated or priced in a foreign currency, or where the value of an advertised product or service may be directly affected by changes in foreign exchange

	"warning"	<p>rates, the advertisement must contain the following warning:</p> <p>Warning: This [product/service] may be affected by changes in currency exchange rates.</p>
Req 10.46	Open worded "statement" / "warning"	<p>An advertisement for a product subject to front-end loading must state that:</p> <p>a) deductions for charges and expenses are not made uniformly throughout the life of the product, but are loaded disproportionately onto the early period, and</p> <p>b) the consumer must be warned that, if the consumer withdraws from the product in the early period, the practice of front-end loading will impact on the amount of money which the consumer receives, and</p> <p>c) if applicable, that a consumer may not get back the amount they invest.</p>

- ***Powers of attorney***

We understand the need for discussion around the full implications and expectations of banks (and other financial services providers) when dealing with powers of attorney. However, given that this is a complicated matter, particularly with regard to non-face-to-face products or transactions (e.g. distance-sold / administered products and services), we believe it merits separate discussion from this response and should be initially discussed with industry bodies to fully understand all the issues before presenting proposed wording to be include in the CPC.

#### ***Chapter 4 Provision of Information***

- ***Requirement to ensure information provided to customers is "up-to-date"***

In general, banks will always strive to ensure information provided to customers reflects the scenario at the time the customer receives it. However, constant changes in internal and external environment can mean information provided is not always fully accurate at the time it is received, even though it may have been accurate at the time it was produced. This is normally reflected in brochureware or letters being explicitly stated as "correct at time of going to print". Where environments change and information needs to be updated, the regulated entity will strive to do this as quickly as practicable, but this will not always be before the change occurs (particularly where a change occurs outside of the banks control". This requirement should be reworded to reflect this fact and should allow flexibility to update relevant information within a reasonable time period.

- ***Disclosures concerning regulated v non-regulated services / products***

For the avoidance of doubt or misunderstanding, we seek confirmation in the response paper to CP47, or by explicit exclusion in the final rules, or by way of private confirmation to

us or the Irish Banking Federation, that Requirement 4.9 is not relevant to credit institutions insofar as any business they transact falls under their banking license.

▪ ***Fair analysis / Limited analysis disclosures***

Requirements 4.16(f), 4.23(a), 4.24 and 4.25 are inconsistent with the definitions of fair and limited analysis, as fair and limited analysis purely relates to the provision of advice, whereas those requirements refer to provision of intermediary services generally. In any event, in respect of giving advice on a fair analysis basis, it will not be practically possible to comply with any disclosure requirement until there is clarity on what professional criteria should be applied to determine whether fair analysis is being conducted.

We would therefore seek clarity as to what these criteria are, or how these criteria will be determined, in advance of any requirements relating to fair analysis commencing.

▪ ***Terms of business – provision of same at outset of relationship***

The provision of a standalone terms of business document at the outset of a relationship with a consumer may be impractical, for example for distance/brochure-sold credit cards or deposits, where all relevant information may, by necessity, have to be contained within a single brochure. We believe it would also be inappropriate, and inconsistent with the latest trend in Europe around the provision of minimum information for the sale of financial services by telephone (as evidenced by the Payment Services Directive, the Consumer Credit Directive, the Insurance Mediation Directive and the Distance Marketing of Financial Services Directive, amongst others), to require full information to be provided over the phone for agreements reached, or arrangements made.

We would ask that exemptions (in similar terms to those outlined in the Directives above) requiring the minimum information to be provided on paper as soon as practicable after the call is completed, with less information required over the telephone, be outlined in this part of the Code.

▪ ***Terms of business – tied products***

Provision of a full list of products in a terms of business document, as stated by Requirement 4.16(g), is impractical and unnecessary. Preferably, the requirement should stay as it currently is under the existing CPC, however if tied products are to be referred to, the requirement should be explicitly limited to disclosing generic product types rather than specific product names, which can and do change frequently.

▪ ***Terms of business – miscellaneous***

It would appear Requirements 4.20 and 4.21 are supposed to be included in the terms of business document – this should be explicitly stated as otherwise it is unclear where and when these need to be disclosed.

We would also ask that express provision be made for a single entity to provide different sets of terms of business to different customer types, where this would be appropriate. We do not believe it is in the customer's best interest to be provided with a large document

where a significant amount of information would not be relevant to that customer's dealings with us. In particular, we believe a clear distinction should be capable of being drawn between retail and business customers, and further segments such as customers receiving investment advice where appropriate.

- ***Notifying a customer prior to acting on a term or condition***

Requirement 4.29 is unworkable as it is too broad. All actions by a product or service provider regarding that product or service would be considered to be acting on a term and condition. It would be useful if you could clarify what problem you are seeking to address here and consult further on this issue before finalising any requirement in this regard, as it is unclear what result this is seeking to achieve and therefore we cannot consider it in any detail.

- ***Inclusion of all deposits under the definition of "investment"***

The inclusion of all deposit products in the definition of investment (i.e. not limiting it to the current threshold of deposits with a term of one year or greater) significantly extends the scope of requirements 4.32 to 4.36 – for many of these requirements this appears to be excessive (for example, requirement 4.38 is impossible for fixed-term products with a term of ten days or less, and for other short term products would be inappropriate), so a sensible threshold should be applied. Clear definitions of "banking products" and "investment products" which delineate where the line is reasonably drawn between both for deposit products should therefore be provided.

- ***Pre-sale information on investment products***

Requirement 4.32(h) should be reworded so that it is clear that a general, non-customer specific recommendation can be given (as personal advice might not always be provided or appropriate in the context of the sale of all investment products)

- ***Warning to guarantors***

Depending on circumstance, the warning in requirement 4.40 could be technically incorrect as it suggests that in all cases the guarantor will be responsible for all debts of the borrower to the bank, when some form of limitation may apply in respect of which loans are covered and which are not. The warning should be reworded in such a way that there is flexibility to ensure the guarantor is made aware of, as relevant, the relevant debt and the level of guarantee, depending on the circumstances concerned.

- ***Provision of advance notice of interest rate changes***

Provision of advance written notice of all interest rate changes to all customers may not be practically possible in all cases, particularly those where the interest rate change is fully or partially outside of the lender's control (e.g. a tracker rate change).

In any event, we believe it would be wholly inappropriate for business lending, where the custom and experience is that interest can change as often as on a weekly basis (in many cases this is determined by movements in external funding costs, which are often outside of

the bank's control), and that customers understand and expect this. We therefore believe this provision is not appropriate for business lending.

In any event, for both personal and business lending, at present, wide-scale notification of interest rate change is typically done by way of newspaper notices and / or updates to website information and / or branch and business centre notices – in the absence of any evidence that these are ineffective forms of communication, we believe individual personal notification should not be required.

If the motivation behind this requirement is to try to prevent customers going into financial difficulties unknowingly as a result of a large unexpected interest rate hike, an alternative approach using certain thresholds to determine when personal contact is appropriate may be better (such as setting a threshold limit based on the percentage by which a customer's repayment will increase, or number of percentage base points moved, or a threshold level on the amount of credit owed by the customer).

We would also suggest that it should be explicitly clear in any requirement that it only applies to lending products, and not deposit products.

We would finally like to mention that this draft requirement is not in keeping with recent regulatory and legislative developments at EU level, particularly with regard to the Consumer Credit Directive and the Payment Services Directive. Both of these clearly indicate an acceptance by the European authorities that advance notification to individual customers should not be required, and is not necessary, where changes to a publicly available base rate or reference rate is concerned. We would draw specific attention to Regulation 14(2) of the Consumer Credit Regulations and Regulation 55(3) of the Payment Services Regulations in Ireland..

Given the larger amount of credit and type of customer typically concerned, and the longer repayment periods, it may be appropriate to limit this requirement solely to housing loans as defined by the Consumer Credit Act, 1995.

▪ ***Warning on movement off a tracker rate resulting in the loss of availability of the tracker rate***

The warning in requirement 4.44(b) should be amended to only apply where it is factually correct. In addition, the circumstances in which requirement 4.44 and 4.45 are to apply require greater clarity.

Our understanding is that these requirements are aimed at circumstances where any rate change, either in response by a customer to an offer from the bank, or on request by the customer to the bank without prior offer, may result in the customer ultimately losing an existing contractual right to revert to a tracker rate at some stage in the future, and you wish to ensure customers are aware of this loss, and how the tracker rate economically compares to the rate being offered or sought on a monthly repayment basis.



If we are correct in our understanding, both requirement 4.44 and 4.45 should be reworded (and probably amalgamated) to only require the warning and cost comparison where the customer stands to lose the ability to change their rate to a tracker rate in the future,

- ***Requirement to provide information to a customer moving off a tracker rate at least 2 months before the change***

Requirement 4.45 does not appear to allow for circumstances in which the customer wants to change to a different rate within 2 months, particularly where an element of urgency is in place to avail of a particular offer which is time-limited (for example where they want to move to a fixed rate before rates may go up, or where a discounted option is available which may be less than their tracker rate). Some allowance should be made for the customer to switch within the 2 month period in appropriate circumstances.

- ***Disclosure of reasons for refusing credit***

In respect of requirement 4.49, clarification would be appreciated (either in the final wording of the Code or separately) that disclosure of credit scoring techniques and suspected fraud / money laundering related concerns would not need to be disclosed (as is the case under relevant equivalent consumer credit law).

- ***Remuneration disclosure***

For reasons of clarity, requirement 4.74 should be worded in such a way that it is clear that it only applies in the context of an intermediary sale.

## ***Chapter 5 Knowing the Customer and Suitability***

- ***Prohibition on provision of product if customer does not provide certain information***

We believe requirement 5.3 goes too far in prohibiting the provision of a product or service in the absence of certain information being provided. Provision of a warning (similar to that outlined in requirement 5.20) may be more appropriate if the customer refuses to give certain information.

- ***Stress-testing of interest rate increases***

We believe Requirement 5.13 should not apply to fixed-rate lending where the rate is fixed for the entire term of the product, as there is no possibility of the interest rate increasing.

- ***Warning of excessive transactions by a customer***

In extending the obligation under requirement 5.16 beyond purely investment transactions, we believe this places too high an obligation on banks to substitute their judgment for the customer's, particularly with regard to deposit products, lending products (such as credit cards), and activity on current accounts. We request that this requirement be limited to investment product transactions as is currently the case. If this is to be changed to extend beyond purely investment products, we would ask for a proper discussion on the practicality and effects of this to take place before any final requirements are drawn up.

- ***Requirement to provide a statement of suitability prior to offering a product or service***

We believe requirement 5.17 is excessive and impractical in extending out to “offering” products without further limitation. A direct offer advertisement, for example, can be made by way of mail-shot, however we believe it would be inappropriate to expect full suitability letters to be issued in advance of the offer in such circumstances. The requirement should be limited to applying before arranging (intermediary), providing (direct provision) or recommending a particular product or service.

- ***Exception to suitability testing for execution only sales***

The meaning of “engaged” for the purpose of requirement 5.20(a) is unclear and could include, for instance, paper/internet-based or person-to-person advertising. Consequently it is unclear when, if ever, this exception could ever apply. We believe the exclusion should remain as it currently is worded in the CPC (i.e. where the consumer has specified both the product and product provider, and no advice has been provided). If the existing wording is not to be used, we would ask for greater clarity around the circumstances in which this exception could apply.

- ***Exception to suitability testing for purchasing or selling foreign currency***

The rationale behind an exclusion for foreign currency transactions to suitability testing is unclear given that bureau de change business is excluded from the Code altogether (noting that the lack of definition of bureaux de change causes a related problem in identifying what is included and excluded). More clarity around what the general exclusion for bureau de change business covers, and a definition of purchasing or selling foreign exchange, could provide some help in this regard.

- ***Application of the full “knowing the customer” and suitability regime to overdrafts under 200 Euro***

We note that overdrafts have been excluded from the definition of basic bank account, and that overdrafts under the CCR are excluded from the suitability regime. The anomalous effect of this is that overdrafts under 200 Euro now seem to be subject to the full rigour of the “knowing the customer” and suitability regime, whereas overdrafts over 200 Euro are not subject to this regime. The same would be true for loans except, as far as we are aware, most banks do not offer loans below 200 Euro.

Given that the principles underlying the Consumer Credit Act adopted by the EU are that less protection is merited for any type of credit under 200 Euro, rather than more protection, and furthermore that overdrafts in general require a lower level of protection than other types of credit, we would suggest that applying the full knowing the customer and suitability regime is inappropriate for overdrafts under 200 Euro.

In addition, we note that all credit products which not covered by the CCR are not capable of availing of any exemption under Requirement 5.20. The effect of this appears to be that suitability statements are required for all overdrafts under 200 Euro, even those which would fall under the “execution only” example. The practical effects of this could be very

disadvantageous for the consumer. At one end, it could be seen to force banks to refuse to provide temporary overdrafts where a customer overdraws (on a current account with no previously agreed limit, or over a previously agreed limit) without notice (i.e. forces customers into an arrear position for a very small amount of money), or the practicalities of following the full process may rule out the possibility of customers applying for a small overdraft at a distance (a number of banks offer the ability to get a small overdraft over the phone or via ATM where, for example, a customer needs to withdraw money to get a taxi home late at night and finds they have insufficient funds in their account).

We do not believe this is appropriate or in the best interests of customers.

In line with our earlier request for the approach to be taken to be to aim to create a universal regime for consumer credit products (other than mortgages) in line with the CCR requirements, we would ask that overdrafts under 200 Euro be listed under the exclusions in Requirement 5.20.

## **Chapter 6 Statements**

### **▪ Mandating postage of statements to last known addresses**

We note that the requirement to issue statements to the customer's last known address from the existing Code has been maintained under Requirement 6.1. We would request that a specific exclusion is included in this requirement in circumstances where statements are being persistently returned undelivered and all reasonable attempts to get an alternative address from the customer have failed.

### **▪ Absolute prohibition on abbreviations, acronyms and numerical references**

We believe the prohibition on abbreviations, acronyms and numerical references in statements outlined in requirement 6.2 is impractical and, where information or content is provided by third parties beyond a regulated entity's control, impossible to comply with.

A more practical approach, and the one we would prefer, would be to ensure that any abbreviations used by the regulated entity concerned could only be used where an accompanying key explaining relevant terminology was provided with or on the statement.

An alternative to the overarching key approach would be for you to set a standard list of terms which are of common usage (such as month abbreviations, EUR, GBP, USD, ATM, PRSA etc.), and which would need to be used universally by Irish banks, and any other abbreviation, acronym or numerical reference would need to be explained by way of accompanying key. Compiling such a list would require further discussion with the industry to determine what terms are in common usage at present, and decide which could be part of the "master list".

### **1. Requirement to send separate statements to each party on a joint account**

We note that a new proposed requirement is for separate statements to be sent to all holders of a joint account. We believe this is not necessary in most circumstances, and

would be viewed by customers as information overkill. In the majority of cases, joint account holders reside at the same address. The effect of this requirement would be for 2 statements to be sent to the same address, typically to married couples or co-habiting partners in the retail environment, or members of a partnership in the business banking environment, where transparency or agreed responsibility for the handling of finances would mean only one copy would be necessary or expected.

We are unsure what the rationale behind introducing this requirement is, however we recognise that there may be specific regulatory concerns around the risk of fraud or theft by one joint account holder against the other without that holder realising it is happening, and also that there may be specific family-specific situations such as separation or divorce where joint holders may wish to receive separate statements at separate addresses until a division of the account occurs.

If these are the rationale, then we would point out that the risk referred to is minimal and only applicable in a minority of cases, and in any event would not be effectively mitigated by sending separate statements to the same address where the perpetrator can intercept it. Furthermore, if the majority of joint account holders are happy to receive a single statement at a single address, then this should be the default requirement, and any requirement to provide separate statements for the minority of customers whose circumstances may potentially warrant it should not apply unless the customers asks for this to happen first. This would reduce waste and costs and could hopefully address whatever concerns you may have.

- ***Requests for free statements***

Requirement 6.5 is too wide in not putting the requests in any context, and in not setting any limit on the maximum number of free requests permitted within a set time period. Our understanding is this requirement is driven by account switching considerations. If so, it would be more appropriate to include it in the account switching code rather than the CPC, so that it would only apply in that context, and the requirement to provide information free of charge should be additionally subject to a reasonable threshold within a set time period. Further, any requirement should only apply to euro-denominated accounts, as these are the only accounts which can be switched under the switching code.

In respect of requiring statements on payment accounts (as defined under the Payment Services Regulations) to be provided free of charge, we would have concerns that this may be in breach of the maximum harmonisation requirements of the Payment Services Directive, in that the Directive allows the bank to charge for the provision of any extra information already provided once under its requirements. You may wish to seek legal advice on the legality of this requirement as a result.

- ***Summary boxes for credit cards and warning statements***

The inclusion of summary box and warning requirements under requirements 6.9 and 6.10 may be impermissible in light of the maximum harmonisation nature of the CCD, and you may wish to seek legal advice on this if not already obtained.

In any event, the warning statement proposed under Requirement 6.10(b) is more complicated than appears to comply with and would depend on a number of variables and assumptions which are not addressed. A credit card is a revolving credit product and as such the balance can change on a daily basis due to spend, balance transfers, payments, disputes, interest and charges.

We believe it is premature to include this requirement without further discussion with the industry and TSYS as to what is practically possible in this regard, and what assumptions should be included in the calculation.

Alternatively, if the rationale behind this requirement is for customers to understand in a generic sense how long it could take to repay a credit card making only minimum repayments, and if you are concerned about customers who struggle to make minimum repayments, a generic warning along the following lines may be equally effective: "If you make only the minimum payment each month, it will take you longer and cost you more to clear your balance. If you are unable to pay the minimum payment, please contact us as soon as possible".

#### ***Chapter 7 Transfer of Residential Mortgages***

The transfer provisions of Chapter 7 represent a fundamental change in approach to the existing Code of Practice on the Transfer of Mortgages. As such, it could seriously affect the securitisation market in a detrimental way, which would not be in the interests of consumers, the bank, or the stability of the market in general.

In transferring the time to consent from the initial mortgage application stage to 3 month's before the intended date of transfer, and requiring new information to be given which would only be known around the time of transfer, a level of uncertainty as to who has consented and who has not at any given time would be created, meaning it would be impossible to strike a mortgage pool in sufficient time to go to market,

Without being in a realistic position to securitise mortgages, the banking industry will be impacted through increased credit and liquidity risk, increased costs, decreased credit availability and the Irish-regulated banks being disadvantaged vis-à-vis lenders regulated in other Member States who wish to enter the market.

If the decision is made to revert to the original regime whereby full consent can be captured at mortgage application stage, we would point out that requirement 7.2 appears to be unnecessary as it reflects the status quo and what the customer would expect. We would suggest it would make more sense if the lender was only obliged to contact the customer where the circumstances outlined in the requirement would not apply.

#### ***Chapter 9 Arrears Handling***

We believe that the arrears handling chapter of the CPC needs to be discussed further. Given a lack of clarity in respect of a number of issues arising under the draft text, and the resulting large number of variables at play, it is too early to go into full detail on a response to the proposed requirements. However there are a number of issues we believe are worth raising in advance of such discussions happening.

Further clarity is required on the following matters:

- what does and does not constitute arrears,
- how long such arrears need to be outstanding before certain requirements should apply and relevant information needs to be given,
- whether all or any of this chapter applies to overdrafts and if so, at what point should the account be deemed to be in arrears (for example, is an account in arrears when the customer is in excess of an initial limit or a zero limit, even if it is for a small amount and the account continues to otherwise function normally, subject perhaps to a small fee and / or (alternative) interest rate),
- what types of loans are appropriate to be covered,
- what types of mortgage would not be covered by the CCMA and therefore covered here
- what constitutes “not engaging” and “not co-operating”.

The requirement under 9.10 to provide 3 months’ notice in writing to customers of an intention to set-off could be counter-productive and raises prudential concerns in respect of credit risk, and we believe unfairly interferes with agreements in place between the customer and the bank.

The requirement under 9.13 to provide 3 months’ notice in writing to customers (who are not co-operating or engaging) of the intention to place restrictions on accounts in arrears we believe provides too great a scope for on-going abuse of an account, and making a bad situation worse for both the bank and the customer (depending on circumstances this could also be the case for co-operating or engaging customers).

In general, provisions in relation to retail arrears handling are not easily translatable to business lending, and consequently we would suggest that either business lending should be excluded from scope of Chapter 9 or, following discussions around how business lending is different and how different concerns are involved, a separate set of requirements would be applied to arrears on business lending (possibly under the SME Lending code rather than the CPC).

Given the problems arising in respect of the new limit on unsolicited communications under the CCMA, we would suggest it is premature to include any similar requirement on personal lending arrears (as per requirement 9.16) until the full or potential effect of such a requirement on increased arrears numbers is understood, by way of full regulatory impact assessment if possible.

## ***Chapter 10 Advertising***

- ***Product awareness advertising***

The effect of including a requirement under 10.6 to include key product information in all advertising would appear to be that advertising which seeks purely to raise simple awareness of a product would now be prohibited. Such a result would be inappropriate and, in any event, appears to be inconsistent with requirement 10.16 which appears to allow for such advertising.

- ***Relevant target market for advertising savings***

We believe requirement 10.18 should be reconsidered in that the relevant target market for an advertisement, in light of the channel and method of advertising used, may be significantly more restricted than the general target market for a product. For example, a direct mail advertisement to known recipients with certain common characteristics or interests, or an advertisement placed in a particular journal or magazine with a limited readership profile, or an advertisement placed on a website with a select appeal to certain types of customers, may be targeted at a population which is not representative of the overall target market for a product generally.

It would therefore seem to make more sense for the target market for a particular advertisement, in consideration of the medium and method of advertising used, to be the correct measure.

- ***Advertising products or elements of products as “free”***

For the sake of clarity, requirement 10.26 could be reworded to clearly state that it is acceptable to advertise any free element of an account or service as free in the circumstances in which such element can be availed of free of charge.

For example, an interest free introductory period on a credit card should be permitted to be advertised as such, and this would not mean the credit cards itself could be described in general terms as interest free. Similarly, it should be permissible to advertise a “free if in credit” current account as such if that is the case, and this would not mean the account itself could be described in general terms as free of charge.

- ***AER and CAR***

A definition and formula for calculating AER and CAR should be provided to ensure consistency in approach across the industry, and if there is no effective difference between AER and CAR then only one term should be used to prevent confusion, and to help customers compare similar products. In this regard, it may be useful to have some regard to the Appendix<sup>1</sup> to the British Bankers’ Association Code of Conduct for the Advertising of Interest Bearing Accounts<sup>2</sup>.

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<sup>1</sup> [www.bba.org.uk/download/4448](http://www.bba.org.uk/download/4448)

<sup>2</sup> <http://www.bba.org.uk/policy/article/code-of-conduct-for-the-advertising-of-interest-bearing-accounts/banking-codes/>

- ***Warning that return is less than 100% capital invested***

The terminology in requirement 10.29 is technically incorrect, as the return usually constitutes interest or bonuses awarded on capital deposited, and would not normally include the capital itself.

More appropriate wording may be along the lines of: “An advertisement for a product where the customer may not receive 100% of the initial capital invested must contain the following warning:...”

In addition, some provision should be made for a different warning for products where the capital is 100% secure but only on, or on and after, the maturity date.

Further, the requirement should not apply to products where the regulated entity maintains an absolute discretion (not necessarily provided for in the terms and conditions) to allow the customer to break the fixed term early in exceptional circumstances, which may result in a reduction in capital, as this is not in line with normal expected usage of the account.

Some provision should also be made to allow for an amalgamation of CPC warnings where effectively the same warning would otherwise need to be given twice but ultimately both fulfil the same purpose. For example, requirement 10.29 and requirement 10.39 both include a warning that a customer could lose proportion of their capital invested, but the wording of each warning is not identical.

- ***Warning that capital may be reduced by cashing in the investment prior to the maturity date***

Similar to requirement 10.29 above, requirement 10.30 should not refer to “return” in the context of capital, and in any event this warning should explicitly apply only where normal provision is made under the contract for a customer to choose to withdraw from an investment prior to maturity (i.e. the potential for exceptional circumstances outlined as an example under requirement 10.29 above would not necessitate this warning).

Further, requirement 10.30 may also need, similar to requirement 10.29, to be amended or split to take account of products that are only 100% capital secure on the maturity date rather than on or after the maturity date.

## ***Chapter 11 Errors and complaints***

We appreciate the need for errors to be rectified quickly to remedy any financial detriment to the consumer, however we believe Chapter 11 in general should have some reasonable level of materiality in respect of what an error is, in that it will require senior internal escalation and contact with customers and maintenance on the “errors” log. We believe that by introducing a materiality threshold, the clarity of reporting would be improved and it would allow the institution and yourselves to better concentrate on material issues.



It is unclear what the relevant timeframe for notification to the regulator is under requirement 11.5, as an error might be capable of being resolved within 6 months, which suggests it would not need to be notified, but not capable of being resolved within 1 month, suggests it would need to be notified.

## ***Chapter 12 Records and Compliance***

- ***Recording of verbal interaction while assisting consumers in understanding products and services***

The requirement under 12.1 to maintain a contemporaneous record all verbal interactions while assisting consumers in understanding products and services is not feasible given the volume and free-flowing nature of such discussions, and the fact they can continue for an indeterminable level of time. We believe this requirement should be removed.

## APPENDIX 1

Outline of matched up provisions between the current CPC and the draft revised CPC  
outlining changes

## **CPC Proposed version vs Existing CPC** **Comparison document**

In order to facilitate comparison, the relevant changes are colour coded as follows;

Red = new rules or changes to existing script

Green = existing CPC text which was modified or excluded within a sentence or paragraph.

Purple = Whole paragraphs or sections not included in the Proposed CPC.

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\* This chapter compares the existing CBI Code of Conduct on Transfer of Mortgages to the proposed additions to the new CPC code. Chapter 7 will codify most of the information contained within the existing CBI Code of Conduct on Transfer of Mortgages.

<b>CHAPTER 1 - Scope</b>	
<b><i>Proposed</i></b>	<b><i>Existing</i></b>
<b>Introduction</b>	
The activities of regulated entities are subject to a number of different legislative enactments, generally based on European directives. The extent of consumer protection provisions contained in the different pieces of legislation varies, with more recent directives containing detailed consumer protection measures and earlier directives generally containing less extensive consumer protection provisions.	<b>New</b>
In order to ensure an appropriate level of protection for consumers regardless of the type of financial services provider they choose, the Consumer Protection Code (the Code) was introduced in 2006. Following the introduction of legislation governing the provision of retail credit and home reversion agreements, an Addendum to the Code was issued in May 2008 extending the provisions of the Code to firms engaged in these activities with effect from 1 June 2008.	<b>New</b>
The Consumer Protection Code has been updated and this revised Consumer Protection Code replaces the original Code and is effective from dd/mm/yy.	The provisions of this Code will come into effect on a date to be specified by the Financial Regulator.
<b>LEGISLATIVE BASIS</b>	
This Code is issued under Section 117 of the Central Bank Act 1989.	This Consumer Protection Code (“Code”) is issued by and in the name of the Irish Financial Services Regulatory Authority (“Financial Regulator”) and applies to entities regulated by the Financial Regulator, pursuant to powers under the following legislation: the Central Bank Acts 1942 to 1998 (including without limitation Section 33S(6) of the Central Bank Act 1942); the Investment Intermediaries Act 1995; the Consumer Credit Act 1995; the Stock Exchange Act 1995; the Insurance Acts 1909 to 2000; and relevant statutory instruments.
The Central Bank of Ireland (Central Bank) has the power to administer sanctions for a contravention of this Code, under Part IIIC of the Central Bank Act 1942.	The Financial Regulator has the power to administer sanctions for a contravention of this Code, under Part IIIC of the Central Bank Act 1942.

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
The provisions of this Code are binding on regulated entities and must, at all times, be complied with when providing services.	Regulated entities are reminded that they are required to comply with this Code as a matter of law. Therefore, for example, where a requirement of this Code conflicts with a requirement of any voluntary code to which the regulated entity has subscribed, the requirement of this Code must be complied with nevertheless.
<b>Application</b>	
Subject to the exclusions set out in the following paragraphs this Code applies to the regulated activities of regulated entities operating in the State, including:	Except as stated otherwise below under 'To whom this Code does not apply', this Code applies to:
financial services providers authorised, registered or licensed by the Central Bank; and	the services of all financial services providers operating in the State for which they require to be authorised by, or registered with, the Financial Regulator; and
financial services providers authorised, registered or licensed in another EU or EEA Member State when providing services in this State on a branch or cross-border basis.	firms with an equivalent authorisation or registration in another EU or EEA Member State when providing services in this State on a branch or cross-border basis.
Chapter 1 (General Principles) applies in respect of all customers and the other chapters of the Code apply in respect of customers who fall within the definition of consumer used in this Code.	Chapter 1 (General Principles) applies when providing the services described below to customers in the State. The other Chapters of the Code apply only when providing the services described below to consumers in the State.
Not included in new code	Chapter 6 (Investments) will apply to regulated entities providing investment services, or providing services in relation to deposits with a term equal to or greater than one year, other than MiFID Services.
Not included in new code	Chapters 1 (General Principles), 2 (Common Rules) and 7 (Advertising) apply to all regulated entities. Chapter 3 (Banking Products and Services) applies to regulated entities when providing banking products and services and Chapter 4 (Loans) applies to credit providers and mortgage intermediaries. Chapter 5 (Insurance Products and Services) applies to insurance undertakings and insurance intermediaries.
<b>Regulated entities (new heading)</b>	
Without prejudice to the generality of the above, the types of firm that the Code applies to include:	Without prejudice to the generality of the above, the types of firm that the Code covers include, therefore:
Credit Institutions;	Credit Institutions (Banks and Building Societies);

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
Insurance Undertakings;	Insurance Undertakings;
Investment Business Firms, authorised under the Investment Intermediaries Act 1995;	Investment Business Firms, other than when conducting MiFID Services;
Investment Intermediaries, authorised under the Investment Intermediaries Act 1995	<b>New</b>
Insurance Intermediaries;	Insurance Intermediaries;
Mortgage Intermediaries;	Mortgage Intermediaries; and
Credit Unions, when acting as insurance intermediaries;	Credit Unions, when providing services for which they require to be authorised by or registered with the Financial Regulator under the legislation listed in 'Legislative Basis' above (i.e. other than the Credit Union Act 1997).
Payment Institutions;	<b>New</b>
Regulated entities providing retail credit; and	<b>New</b>
Home Reversion Firms.	<b>New</b>
Due to the maximum harmonisation nature of the Consumer Credit Directive and the Payment Services Directive, credit institutions, payment institutions and entities providing retail credit are subject to the Code only in circumstances that fall outside the areas covered by these directives.	<b>New</b>
Therefore, where regulated entities are providing credit agreements under the European Communities (Consumer Credit Agreements) Regulations 2010 to consumers as defined in those Regulations, the following sections of the Code do not apply: <input type="checkbox"/> <input type="checkbox"/> Chapter 2, General Principles: Provisions 5 and 6 <input type="checkbox"/> <input type="checkbox"/> Chapter 4, Provision of Information: Provisions 1, 2, 27, 28, 42, 43 and 71 <input type="checkbox"/> <input type="checkbox"/> Chapter 5, Knowing the Consumer and Suitability: All Provisions <input type="checkbox"/> <input type="checkbox"/> Chapter 6, Statements: Provisions 4 and 7 where the current account has an overdraft facility, and Provision 8 <input type="checkbox"/> <input type="checkbox"/> Chapter 10, Advertising: Provisions 19, 20, 21, and 22.	<b>New</b>

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
<p>Where regulated entities are providing payment services under the European Communities (Payment Services) Regulations 2009, only the following sections apply:</p> <p><input type="checkbox"/> <input type="checkbox"/> Chapter 3, Conflicts of Interest: Provisions 23 to 28</p> <p><input type="checkbox"/> <input type="checkbox"/> Chapter 3, Unsolicited Contact (Coldcalling): Provisions 29 to 35</p> <p><input type="checkbox"/> <input type="checkbox"/> Chapter 4, Provisions 38</p> <p><input type="checkbox"/> <input type="checkbox"/> Chapter 6, Provisions 2, 4, 5, 6 and 7</p> <p><input type="checkbox"/> <input type="checkbox"/> Chapter 10, Advertising: General Requirements</p> <p><input type="checkbox"/> <input type="checkbox"/> Chapter 11, Errors and Complaints.</p>	<b>New</b>
<b>The Code does not apply to:</b>	
Services provided by regulated entities to persons outside the State;	regulated entities when: providing services to persons outside the State;
MiFID services;	providing MiFID Services;
Moneylending under the Consumer Credit Act 1995;	providing the services of a 'moneylender', within the meaning of the Consumer Credit Act 1995;
Reinsurance activities;	carrying on the business of reinsurance or <b>reinsurance mediation</b> ;
Bureau de change business;	carrying on the business of a 'bureaux de change' or ' <b>money transmission</b> ', <b>within the meaning of Part V of the Central Bank Act 1997</b> ; or
Credit union core business, i.e., lending and operation of share and deposit accounts; and	if such firm is a credit union, <b>when providing services for which it does not require to be authorised by or registered with the Financial Regulator under the legislation listed in 'Legislative Basis' above (i.e. other than the Credit Union Act 1997).</b>
<input type="checkbox"/> Hire purchase and consumer hire agreements.	<b>New</b>
<b>Other matters</b>	
All references to the provision of services throughout this Code also include the provision of advice.	All references to the provision of services throughout this Code also include the provision of advice.
Please refer to the Definitions section for any term shown in bold and italics throughout the text of the Code.	Please refer to the Definitions section for any term shown in bold and italics throughout the text of the Code.

<b>CHAPTER 2 – General Principles</b>	
<b><i>Proposed</i></b>	<b><i>Existing</i></b>
A regulated entity must ensure that in all its dealings with customers and within the context of its authorisation it:	<b>Ch1.</b> A regulated entity must ensure that in all its dealings with customers and within the context of its authorisation it:
1. acts honestly, fairly and professionally in the best interests of its customers and the integrity of the market;	1. acts honestly, fairly and professionally in the best interests of its customers and the integrity of the market;
2. acts with due skill, care and diligence in the best interests of its customers;	2. acts with due skill, care and diligence in the best interests of its customers;
3. does not recklessly, negligently or deliberately mislead a customer as to the real or perceived advantages or disadvantages of any product or service;	3. does not recklessly, negligently or deliberately mislead a customer as to the real or perceived advantages or disadvantages of any product or service;
4. has and employs effectively the resources and procedures, systems and control checks that are necessary for compliance with this Code;	4. has and employs effectively the resources and procedures, systems and control checks that are necessary for compliance with this Code;
5. seeks from its customers information relevant to the product or service requested;	5. seeks from its customers information relevant to the product or service requested;
6. makes full disclosure of all relevant material information, including all charges, in a way that seeks to inform the customer;	6. makes full disclosure of all relevant material information, including all charges, in a way that seeks to inform the customer;
7. seeks to avoid conflicts of interest;	7. seeks to avoid conflicts of interest;
8. corrects errors and handles complaints speedily, efficiently and fairly;	8. corrects errors and handles complaints speedily, efficiently and fairly;
9. does not exert undue pressure or undue influence on a customer;	9. does not exert undue pressure or undue influence on a customer;
10. ensures that any outsourced activity complies with the requirements of this Code;	10. ensures that any outsourced activity complies with the requirements of this Code;
11. without prejudice to the pursuit of its legitimate commercial aims, does not, through its policies, procedures, or working practices, prevent access to basic financial services; and	11. without prejudice to the pursuit of its legitimate commercial aims, does not, through its policies, procedures, or working practices, prevent access to basic financial services; and
12 complies with the letter and spirit of this Code.	12 complies with the letter and spirit of this Code.



<b>CHAPTER 3 – Common Rules</b>	
<b>General requirements</b>	
<b><i>Proposed</i></b>	<b><i>Existing</i></b>
1. A regulated entity must ensure that the name of a product or service is not misleading in terms of the benefits that the product or service can deliver.	<b>Ch.2 1)</b> A regulated entity must ensure that the name of a product or service <b>which it provides</b> is not misleading in terms of the benefits that the product or service can deliver.
2. A regulated entity must ensure that all instructions from or on behalf of a consumer are processed properly and promptly. <b>Where an instruction cannot be acted on within two business days, the regulated entity must acknowledge in writing receipt of the instruction, outline the reason for the delay and confirm when it will be processed.</b>	<b>Ch.2 2)</b> A regulated entity must ensure that all instructions from or on behalf of a consumer are processed properly and promptly <b>and that the date of both the receipt and transmission of the instructions is recorded.</b>
3. A credit institution must ensure that any funds lodged by a consumer to its <b>term or notice deposit</b> account directly or via a deposit agent, are credited to that account on that day.	<b>Ch.3.8</b> A credit institution must ensure that any funds lodged by a consumer to its account directly or via a deposit agent, are credited to that account on that day.
4. A regulated entity <b>that is in direct receipt of</b> a negotiable or non-negotiable instrument from a consumer as payment for a financial product or service must provide <b>that</b> consumer with a receipt.	<b>Ch.2.18</b> A regulated entity must provide a consumer with a receipt for each negotiable or non-negotiable instrument presented by the consumer as payment for a financial product or service provided by that regulated entity.
<b>This receipt must include the following information:</b>	<b>New</b>
<b>a) the name and address of the regulated entity;</b>	<b>New</b>
<b>b) the name and address of the person furnishing the instrument or payment;</b>	<b>New</b>
<b>c) the value of the instrument or payment received and the date on which it was received;</b>	<b>New</b>
<b>d) the purpose of the payment; and</b>	<b>New</b>
<b>e) in the case of an insurance intermediary, that the acceptance by the insurance intermediary of a completed insurance proposal does not itself constitute the effecting of a policy of insurance.</b>	<b>New</b>
5. A regulated entity that is in <b>direct</b> receipt of a completed direct debit mandate or payroll deduction mandate from a consumer as a payment instruction for a financial product or service, must acknowledge in writing receipt of such mandate.	<b>Ch.2.19</b> A regulated entity must acknowledge in writing, the receipt of a completed direct debit mandate or payroll deduction mandate, received from a consumer as a payment instruction for a financial product or service provided by that regulated entity.

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
<b>6.</b> A regulated entity must ensure that, where applicable, documents conferring ownership rights are given to the consumer in a timely manner or are held for safekeeping under an agreement with the consumer, in accordance with the terms of the regulated entity's authorisation.	<b>Ch.2.16</b> A regulated entity must ensure that, where applicable, documents conferring ownership rights are given to the consumer in a timely manner or are held for safekeeping under an agreement with the consumer, in accordance with the terms of the regulated entity's authorisation.
<b>7.</b> A regulated entity must ensure that all warnings required by this Code are prominent, i.e. in bold type and of a font size that is larger than the normal font size used throughout the document or advertisement.	<b>Ch.2.6</b> A regulated entity must ensure that all warnings required by this Code are prominent, i.e. <b>they must be in a box</b> , in bold type and of a font size that is larger than the normal font size used throughout the document or advertisement.
<b>The warning statement must be in a box separate to other information but must appear alongside the benefits of the product.</b>	<b>New</b>
<b>8.</b> Where a power of attorney has been granted, a regulated entity must: a) obtain a certified copy of the power of attorney; and b) ensure that it operates within the limitations set out in the power of attorney.	<b>New</b>
<b>9.</b> A regulated entity must have <b>regard to</b> the provisions of <b>any</b> relevant anti-money laundering guidance notes approved by the <b>Minister for Justice, Equality and Law Reform under Section 107 of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010</b> .	<b>Ch.2.7</b> A regulated entity must <b>take into consideration</b> the provisions of the relevant anti-money laundering guidance notes issued with the approval of the Money Laundering Steering Committee, and in particular any guidance in such notes on how to establish identity, in order to ensure that a person is not denied access to financial services solely on the grounds that that person does not possess certain specified identification documentation.
<b>10.</b> A regulated entity must not, in any communication or agreement with a consumer (except where permitted by applicable legislation), exclude or restrict, or seek to exclude or restrict: a) any legal liability or duty of care to a consumer which it has under applicable law or under this Code; b) any other duty to act with skill, care and diligence which is owed to a consumer in connection with the provision to that consumer of financial services; or	<b>Ch.2.23</b> A regulated entity must not, in any communication or agreement with a consumer (except where permitted by applicable legislation), exclude or restrict, or seek to exclude or restrict: a) any legal liability or duty of care to a consumer which it has under applicable law or under this Code; b) any other duty to act with skill, care and diligence which is owed to a consumer in connection with the provision to that consumer of financial services; or

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
c) any liability owed to a consumer for failure to exercise the degree of skill, care and diligence that may reasonably be expected of it in the provision of a financial service.	c) any liability owed to a consumer for failure to exercise the degree of skill, care and diligence that may reasonably be expected of it in the provision of a financial service.
<b>Restrictions</b>	
<b>Credit</b>	
11. A regulated entity must not offer unsolicited pre-approved credit.	<b>Ch.4.1</b> A regulated entity must not offer unsolicited pre-approved credit facilities.
12. A regulated entity may only increase a consumer's credit card limit following a request from the consumer.	<b>Ch.4.2</b> A regulated entity may only increase a consumer's credit card limit following a request from the consumer.
<b>Tying and bundling</b>	
13. A regulated entity is prohibited from tying products or services, or making the sale of a product or service contingent on the consumer purchasing another product or service from the regulated entity. This provision does not prevent a regulated entity from offering additional products or services to consumers who are existing customers which are not available to potential consumers.	<b>Ch.2.4</b> A regulated entity must not make the sale of a product or service contingent on the consumer purchasing another product or service from the regulated entity.
14. Where a credit institution requires a consumer to operate a feeder account in order to avail of another product, all of the following conditions must be met:	<b>New</b>
a) the consumer must not be obliged to use the account for purposes other than facilitating payments to the product concerned;	<b>New</b>
b) charges cannot be applied for using the feeder account for the purpose for which it was established;	<b>New</b>
c) where additional facilities are available on the account they must be optional and must be requested by the consumer; and	<b>New</b>
d) these conditions must be communicated clearly to the consumer.	<b>New</b>
15. A regulated entity is prohibited from bundling except where it can be shown that there is a cost saving for the consumer.	<b>New</b>

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
16. Prior to the sale of a bundled product or service, a regulated entity must provide the consumer with information in writing on: a) the cost of the bundle; b) the cost of each item separately; c) how to switch products within the bundle; d) how to exit the bundle; and e) the cost of exiting the bundle.	<b>New</b>
17. Where a consumer wishes to exit a bundle, the regulated entity must allow that consumer to retain any product(s) in the bundle that the consumer wishes to keep, without penalty or additional charge.	<b>New</b>
18. a) Where an optional extra is offered to a consumer in conjunction with a product or service, a regulated entity must: i) inform the consumer in writing that the optional extra does not have to be purchased in order to buy the main product or service; ii) set out the cost of the basic product (excluding the optional extra); and iii) set out separately the cost of the optional extra(s).	<b>New</b>
18 b) A regulated entity must not charge a consumer a fee for any optional extra offered in conjunction with a product or service unless the consumer <b>has confirmed that he/she wishes</b> to purchase the optional extra.	<b>Ch.2.5</b> A regulated entity must not charge a consumer a fee for any optional extra(s) offered in conjunction with a product or service, unless that consumer <b>has positively indicated that they wish</b> to purchase the optional extra(s).
<b>Payment protection insurance</b>	
19. Where a regulated entity offers payment protection insurance in conjunction with a loan:	<b>Ch.4.6</b> Where a regulated entity offers payment protection insurance in conjunction with a loan....
a) the initial repayment estimate of the loan advised to the consumer must be exclusive of the payment protection premium <b>and the amount of the premium must be advised separately;</b>	<b>Ch.4.6</b> ...the initial repayment estimate of the loan advised to the consumer must be exclusive of the payment protection premium.
b) a combined application form <b>may not be</b> used; and	<b>Ch.4.7</b> A combined application form <b>can be</b> used, <b>provided that all information relating to payment protection insurance is contained in a separate section and this section also contains a requirement for the consumer to sign in order to apply for payment protection insurance.</b>

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
c) a suitability assessment must be carried out separately in respect of the loan and in respect of the payment protection insurance.	<b>New</b>
Not included in new code	<b>Ch.4.8</b> A text box indicating that the payment protection insurance is optional must be included in the application form immediately above where the consumer is required to sign.
<b>Remuneration</b>	
20. A regulated entity may pay a fee, commission, other reward or remuneration in respect of the provision of regulated activities only to a person that is:	<b>Ch.2.50</b> A regulated entity may pay a fee, commission, other reward or remuneration only to a person that is:
a) a regulated entity;	a) a regulated entity;
b) a certified person;	b) a certified person;
c) an individual for whom a regulated entity has taken full and unconditional responsibility under the Investment Intermediaries Act 1995;	c) an individual for whom a regulated entity has taken full and unconditional responsibility;
d) an authorised credit intermediary (within the meaning of the Consumer Credit Act 1995 and the European Communities (Consumer Credit Agreements) Regulations 2010); or	e) an authorised “credit intermediary” (within the meaning of the Consumer Credit Act 1995); or f) a financial services provider operating in the State in accordance with freedom of services or establishment provisions of EU law.
e) a former regulated entity, where the fee, commission, other reward or remuneration is in respect of activities that the entity provided when it was regulated.	d) an entity specifically exempt by law from requiring authorisation;
<b>Deposit agents</b>	
21. A deposit agent must not retain in its possession an account passbook of a consumer.	<b>Ch.3.11.</b> A deposit agent must not retain in its possession an account passbook of a consumer.
22. A deposit agent must not operate from the same premises as a deposit broker.	<b>Ch.3.12.</b> A deposit agent must not operate from the same premises as a deposit broker.
Not included in new code	<b>Ch.3.13</b> When a deposit agency is terminated by either party, the deposit agent must: a) notify its consumers of the termination; b) advise its consumers of the options available; and c) properly complete any outstanding business.

<i>Proposed</i>	<i>Existing</i>
<b>Conflicts of Interest</b>	
23. A regulated entity must have in place and operate in accordance with a written conflicts of interest policy appropriate to the nature, scale and complexity of the regulated activities carried out by the firm. The conflicts of interest policy must:	<b>New</b>
a) identify the circumstances which constitute or may give rise to a conflict of interest between the regulated entity and its customers who are consumers or between one such customer and another; and	<b>New</b>
b) specify procedures to be followed, and measures to be adopted, in order to manage such conflicts.	<b>New</b>
24. A regulated entity must not knowingly create situations that may give rise to a conflict of interest.	<b>New</b>
25. Where conflicts of interest arise and cannot be reasonably avoided, a regulated entity <b>must disclose the general nature and/or source of the conflicts of interest to the consumer</b> . A regulated entity may <b>only</b> undertake business with or on behalf of a consumer <b>where there is directly or indirectly a conflicting interest</b> , where that consumer has acknowledged, in writing, that <b>it</b> is aware of the conflict of interest and still wants to proceed.	<b>Ch.2.51</b> Where conflicts of interest arise and cannot be reasonably avoided, a regulated entity may undertake business with or on behalf of a consumer with whom it has directly or indirectly a conflicting interest, <b>only</b> where that consumer has acknowledged, in writing, that <b>he/she</b> is aware of the conflict of interest and that he/she still wants to proceed.
26. A regulated entity must ensure that there are effective Chinese walls in place between the different business areas of the regulated entity, and between the regulated entity and its connected parties in relation to information which could potentially give rise to a conflict of interest or be open to abuse.	<b>Ch.2.56</b> A regulated entity must ensure that there are effective Chinese walls in place between the different business areas of the regulated entity, and between the regulated entity and its connected parties in relation to information which could potentially give rise to a conflict of interest or be open to abuse.
A regulated entity <b>must ensure it has</b> procedures in place relating to the maintenance of Chinese walls, and the consequences of breaches of Chinese walls. These procedures must be in writing and notified to all relevant officers and employees of the regulated entity.	<b>Ch.2.56</b> <b>All</b> procedures relating to the maintenance of Chinese walls, and the consequences and breaches of Chinese walls, must be in writing and notified to all relevant officers and employees of the regulated entity.
27. A regulated entity must take reasonable steps to ensure that it or any of its officers or employees does not offer, give, solicit or accept any inducement likely to conflict with any duties of the recipient or of the recipient's employer.	<b>Ch.2.52</b> A regulated entity must take reasonable steps to ensure that it or any of its officers or employees does not offer, give, solicit or accept, any inducement likely to conflict with any duties of the recipient or of the recipient's employer.

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
28. A regulated entity must not enter into a soft commission agreement unless such agreement is in writing. <b>Where a soft commission agreement is in place, the following conditions apply:</b>	<b>Ch.2.53.</b> A regulated entity must not enter into a soft commission agreement unless such agreement is in writing.
a) Any business transacted under a soft commission agreement must not conflict with the best interests of its consumers.	<b>Ch.2.53.</b> Any business transacted under a soft commission agreement must not conflict with the best interests of its consumers.
b) Where a regulated entity considers that a consumer may be affected by the soft commission agreement, the consumer must be made aware of the soft commission agreement and of how the soft commission agreement may affect them.	<b>Ch.2.53.</b> Where a regulated entity considers that a consumer may be affected by the soft commission agreement, the consumer must be made aware of the soft commission agreement and of how the soft commission agreement may affect him/her.
c) A copy of the soft commission agreement must be made available to the consumer on request.	<b>Ch.2.53.</b> A copy of the soft commission agreement must be made available to the consumer on request.
d) Goods or services received by a regulated entity under a soft commission agreement must be used to assist in the provision of services to consumers.	<b>Ch.2.54.</b> Goods or services received by a regulated entity under a soft commission agreement must be used to assist in the provision of services to consumers.
e) A regulated entity must provide to any affected consumer details of any changes in its policy on soft commission agreements promptly after implementation of any such changes.	<b>Ch.2.55.</b> A regulated entity must provide to any affected consumer details of any changes in its policy on soft commission agreements promptly after implementation of any such changes.
<b>Unsolicited Contact (Coldcalling)</b>	
29. A regulated entity <b>must not</b> make an unsolicited personal visit or telephone call for the purpose of offering a product or service to a consumer...	<b>Ch.2.33</b> <b>When contacting a consumer other than an existing customer:</b> A regulated entity <b>may</b> make an unsolicited <b>contact</b> to a consumer, who is an individual, by way of a personal visit or telephone call
29... <b>except where</b> the purpose of the contact is limited to offering <b>a</b> protection policy.	<b>Ch.2.33.(e) and Ch.2.32 (c) only if:</b> the purpose of the contact is limited to offering protection <b>policies only</b>
30. A regulated entity may make an unsolicited <b>personal visit or telephone call</b> to a consumer who is an existing customer provided....	<b>Ch.2.32. When contacting a consumer who is an existing customer:</b> A regulated entity may make an unsolicited <b>contact</b> to a consumer, <b>who is an individual</b> , by way of a personal visit or telephone call, only if:
<b>Not included in new code</b>	<b>Ch.2.32.a) the regulated entity has, within the previous twelve months, provided that consumer with a product or service similar to the purpose of the unsolicited contact;</b>
30...the contact is in relation to a product <b>held by that</b> consumer.	<b>Ch.2.32.(b) the consumer holds a product, which requires the regulated entity to maintain contact with the consumer in relation to that product;</b>



<b><i>Proposed</i></b>	<b><i>Existing</i></b>
Not included in new code	<b>Ch.2.32.d)</b> the consumer has given his/her consent in writing to being contacted in this way by the regulated entity.
Not included in new code	<b>Ch.2.33.</b> a) the consumer has signed a statement, within the previous 6 months, giving the regulated entity permission to make personal visits or telephone calls to him/her;
Not included in new code	b) the consumer has a listing in the business listing section of the current telephone directory, classified telephone directory or in trade/professional directories circulating in the State;
Not included in new code	c) the consumer is a director of a company, or a partner in a firm with an entry in one of the directories listed in b) above
Not included in new code	d) the consumer is the subject of a referral, received from an entity authorised to provide financial services in Ireland, another entity within the same group, a solicitor, a certified person or an existing customer;
Not included in new code	<b>Ch.2.33</b> In relation to d) above, such a referral must be followed up by an indication to the consumer by the regulated entity that the referral has been made and asking for consent to proceed.
Not included in new code	<b>Ch.2.34.</b> A regulated entity must ensure that, where it makes an unsolicited contact on foot of a referral, it retains a record of the referral.
31. An unsolicited personal visit or telephone call may be made only between <b>9.00 a.m. and 7.00 p.m. Monday to Friday</b> (excluding bank holidays and public holidays) <b>except where the purpose of the contact is to protect the consumer from fraud or other illegal activity.</b>	<b>Ch.2.35.</b> Unsolicited contact, made in accordance with this Code, may be made only between <b>9.00 a.m. and 9.00 p.m. Monday to Saturday</b> (excluding bank holidays and public holidays), <b>unless otherwise requested by the consumer.</b>
32. When making an <b>unsolicited personal visit or telephone call</b> , the representative of a regulated entity must immediately and in the following order:	<b>Ch.2.36.</b> When making an unsolicited <b>contact in accordance with this Code</b> , the representative of a regulated entity must immediately and in the following order:
a) identify himself or herself by name, and the name of the regulated entity on whose behalf he/she is being contacted;	a) identify himself or herself by name, the name of the regulated entity on whose behalf he/she is calling....
b) <b>inform the consumer of</b> the purpose of the contact;	a)... and the <b>commercial</b> purpose of the contact;
c) inform the consumer that the telephone call is being recorded, if this is the case;	b) inform the consumer that the call is being recorded, if this is the case;
Not included in new code	c) disclose to the consumer, the source of the business lead or referral supporting the contact;



<b><i>Proposed</i></b>	<b><i>Existing</i></b>
d) establish if the consumer wishes the call/ <b>visit</b> to proceed, and, if not, he/she must end the contact immediately; and	d) establish if the consumer wishes the call to proceed; if not, <b>the caller</b> must end the contact immediately.
e) abide by a request from a consumer not to make an unsolicited personal visit or telephone call to him/her again <b>and this request must be recorded by the regulated entity.</b>	<b>Ch.2.37.</b> A regulated entity must abide by a request from a consumer not to make an unsolicited contact to him/her again.
Not included in new code	<b>Ch.2.38.</b> A regulated entity must not reach a binding agreement with a consumer on the basis of an unsolicited contact alone, except in the circumstances permitted under the European Communities (Distance Marketing of Consumer Financial Services) Regulations 2004.
<b>33.</b> A regulated entity must not provide a protection policy to a consumer on the basis of an unsolicited personal visit or telephone call alone. A regulated entity may, during the course of an unsolicited visit or telephone call, provide the consumer with information about a protection policy but must allow at least five business days and no more than 10 business days to elapse before making a further visit or telephone call for the purpose of offering, arranging or recommending a protection policy or requesting the consumer to make any payment in relation to the protection policy. Where a consumer purchases a protection policy, the regulated entity must provide the consumer with details in writing of any cooling-off period that applies.	<b>New</b>
<b>34.</b> Where the unsolicited contact is for the purpose of offering a protection policy, a regulated entity must: a) disclose to the consumer the source of the business lead or referral supporting the contact, where relevant; and b) retain a record of the referral.	<b>New</b>
<b>Premium Handling</b>	
<b><i>Proposed</i></b>	<b><i>Existing</i></b>
<b>35.</b> An insurance intermediary must lodge money it receives in respect of a premium or a premium rebate to a segregated bank account. Each such account must be designated “Client Premium Account”.	<b>Ch.5.24.</b> An insurance intermediary must lodge money it receives in respect of a premium or a premium rebate to a segregated bank account. Each such account must be designated ‘Client Premium Account’.

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
36. An insurance intermediary must operate separate client premium accounts in respect of life and non-life business.	<b>Ch.5.25.</b> An insurance intermediary must operate separate client premium accounts in respect of life and non-life business.
37. All payment instruments used to make payments from a client premium account must clearly state that the payment emanated from a client premium account.	<b>Ch.5.26.</b> All payment instruments used to make payments from a client premium account must clearly state that the payment emanated from a client premium account.
38. A client premium account must never be overdrawn.	<b>Ch.5.27.</b> A client premium account must never be overdrawn.
39. The following are the only debits and credits that may be passed through a client premium account:	<b>Ch.5.28.</b> The following are the only debits and credits that may be passed through a client premium account:
<b>Credits (money in)</b>	
a) money received from consumers in respect of the renewal of a policy, which has been invited by an insurance undertaking, or a proposal for insurance accepted by an insurance undertaking;	a) money received from consumers in respect of the renewal of a policy, which has been invited by an insurance undertaking, or a proposal for insurance accepted by an insurance undertaking;
b) money received from a regulated entity representing premium rebated for onward transmission to the consumer;	b) money received from a regulated entity representing premium rebated for onward transmission to the consumer;
c) transfers from another client premium account operated by the insurance intermediary for the same form of insurance;	c) transfers from another client premium account operated by the insurance intermediary for the same form of insurance;
d) transfers from the insurance intermediary's office account to allow a 'buffer' amount to be maintained in the client premium account (any such transfers must be clearly identifiable);	d) transfers from the insurance intermediary's office account to allow a 'buffer' amount to be maintained in the client premium account (any such transfers must be clearly identifiable);
e) proceeds received from a regulated entity in respect of the settlement of a claim for onward transmission to the claimant;	e) proceeds received from a regulated entity in respect of the settlement of a claim for onward transmission to the claimant;
f) bank interest, if appropriate; and	f) bank interest, if appropriate; and
g) where mixed remittances are received, the total amount must first be lodged to the appropriate client premium account.	g) where mixed remittances are received, the total amount must first be lodged to the appropriate client premium account.
<b>Debits (money out)</b>	
<b><i>Proposed</i></b>	<b><i>Existing</i></b>
a) money paid to a regulated entity on foot of renewal of a policy, which has been accepted by an insurance undertaking, or a proposal, accepted by an insurance undertaking;	a) money paid to a regulated entity on foot of renewal of a policy, which has been accepted by an insurance undertaking, or a proposal, accepted by an insurance undertaking;
b) money paid to a consumer representing rebates of premiums received from insurance undertakings;	b) money paid to a consumer representing rebates of premiums received from insurance undertakings;

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
c) commissions and fees paid to the insurance intermediary for which there is documentary proof that the funds are properly due to the insurance intermediary;	c) commissions and fees paid to the insurance intermediary for which there is documentary proof that the funds are properly due to the insurance intermediary;
d) transfers to another client premium account operated by the insurance intermediary for the same form of insurance;	d) transfers to another client premium account operated by the insurance intermediary for the same form of insurance;
e) payments of claims settlement amounts to a consumer;	e) payments of claims settlement amounts to a consumer;
f) bank interest, if appropriate;	f) bank interest, if appropriate; and
g) the portion of mixed remittances that does not relate to a premium payment. Such remittances should be transferred to, or to the order of, the consumer without delay; and	g) the portion of mixed remittances that does not relate to a premium payment. Such remittances should be transferred to, or to the order of, the consumer without delay.
<b>h) payments in respect of charitable donations.</b>	<b>New</b>
40. An insurance intermediary must carry out and retain, on a monthly basis, a detailed reconciliation of amounts due to regulated entities with the balance on each client premium account it operates.	<b>Ch.5.29.</b> An insurance intermediary must carry out and retain, on a monthly basis, a detailed reconciliation of amounts due to regulated entities with the balance on each client premium account it operates.
<b>PRODUCT PRODUCER RESPONSIBILITIES</b>	
<b>41. Where a product producer distributes its products through an intermediary and imposes target levels of business or pays commission based on levels of business introduced, the product producer must be able to demonstrate that these arrangements:</b>	<b>New</b>
<b>a) do not impair the intermediary's duty to act in the best interests of consumers; and</b>	<b>New</b>
<b>b) do not give rise to a conflict of interest, either between the product producer and the intermediary or between either of them and the consumer.</b>	<b>New</b>
<b>42. A product producer must not terminate a letter of appointment with an intermediary solely based on the volume of new business introduced by the intermediary.</b>	<b>New</b>

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
43. When designing a new investment product, a product producer must identify the target market for the product, the nature and extent of the risks inherent in the product and the level, nature, extent and limitations of any guarantee attaching to the product and the name of the guarantor. The target market must only comprise the types of consumer for which the product is likely to be suitable. The product producer must also identify the target market for which the product is not suitable.	<b>New</b>
44. A product producer must ensure that the information it provides to an intermediary about its investment products is clear, accurate, up to date and not misleading, and includes the information outlined in Chapter 4, Provision 32. This product information must be sufficient to enable those who sell the product to understand it so as to be able to determine whether it is suitable for a consumer.	<b>New</b>
45. Within the first year of launching an investment product, and annually thereafter, a product producer must check whether the product is continuing to meet the general needs of the target market for which it was designed. Where the product producer establishes that a product no longer meets the general needs of the target market, the product producer must:	<b>New</b>
a) reassess the product to identify the consumer type for which it is suitable;	<b>New</b>
b) immediately update the information it provides under Provision 44 above; and	<b>New</b>
c) notify the Central Bank.	<b>New</b>
46. A regulated entity must maintain a publicly accessible register of all mortgage intermediaries to which it has issued a current appointment.	<b>Ch.4.12.</b> A regulated entity must maintain a publicly accessible register of all mortgage intermediaries to which it has issued a current appointment.
47. Upon the termination of the appointment of any mortgage intermediary, a regulated entity must provide to the Central Bank a confirmation in writing that such mortgage intermediary has been removed from the register maintained under <b>Provision 46</b> , together with details of the consequent amendment made to such register.	<b>Ch.4.13.</b> Upon the termination of the appointment of any mortgage intermediary, a regulated entity must provide to the Financial Regulator a confirmation in writing that such mortgage intermediary has been removed from the register maintained under <b>Requirement 12</b> , together with details of the consequent amendment made to such register.

<b>CHAPTER 4 – Provision of information</b>	
<b><i>Proposed</i></b>	<b><i>Existing</i></b>
<b>General Information</b>	
1. A regulated entity must ensure that all information it provides to a consumer is clear, comprehensible, <b>accurate and up to date</b> , and that key items are brought to the attention of the consumer. <b>The information must not be misleading</b> and the method of presentation must not disguise, diminish or obscure important information.	<b>Ch.2.12.</b> A regulated entity must ensure that all information it provides to a consumer is clear and comprehensible, and that key items are brought to the attention of the consumer. The method of presentation must not disguise, diminish or obscure important information.
2. A regulated entity must supply information to a consumer on a timely basis. In doing so, the regulated entity must have regard to the following: a) the urgency of the situation; and b) the time necessary for the consumer to absorb and react to the information provided.	<b>Ch.2.13.</b> A regulated entity must supply information to a consumer on a timely basis. In doing so, the regulated entity must have regard to the following: a) the urgency of the situation; and b) the time necessary for the consumer to absorb and react to the information provided.
3. Where a regulated entity intends to amend or alter the range of services it provides, it must give notice to affected consumers at least two months in advance of the amendment being introduced.	<b>Ch.2.14.</b> Where a regulated entity intends to amend or alter the range of services it provides, it must give notice to affected consumers at least two months in advance of the amendment being introduced.
4. a) Where a regulated entity intends to cease operating <b>or to transfer all or a part of its business to another entity it must:</b>	<b>Ch.2.15.</b> Where a regulated entity intends to cease operating it must:
i) provide at least two months notice to affected consumers to enable them to make alternative arrangements;	a) provide at least two month's notice to affected consumers to enable them to make alternative arrangements; and
<b>ii) advise the consumer of the option to have their details transferred (where relevant);</b>	<b>New</b>
iii) ensure all outstanding business is properly completed; and	b) ensure all outstanding business is properly completed.
<b>iv) notify the Central Bank immediately.</b>	<b>New</b>
b) <b>When intending</b> to close or move a branch, a credit institution must give three months notice to affected consumers; advise the Central Bank immediately, and notify the wider community in the local press.	<b>Ch.3.2.</b> <b>Where a credit institution plans</b> to close or move a branch it must inform affected consumers in writing at least 3 months in advance and advise the Financial Regulator immediately thereof. The wider <b>local community should also be informed, in advance</b> , through notification in the local press.

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
5. A regulated entity must inform the consumer at the outset of a conversation where it intends to record a telephone conversation.	<b>Ch.2.17.</b> A regulated entity must ensure that, where it intends to record a telephone conversation <b>with a consumer</b> , it informs the consumer, at the outset of the conversation, that it is being recorded.
6. A regulated entity must ensure that, where it communicates with a consumer using electronic media, it has in place appropriate arrangements to ensure the secure transmission of information to, and receipt of information from, the consumer.	<b>Ch.2.20.</b> A regulated entity must ensure that, where it communicates with a consumer using electronic media, it has in place appropriate arrangements to ensure the secure transmission of information to, and receipt of information from, the consumer.
7. A regulated entity must ensure that all printed information it provides to consumers is of a print size that is clearly legible.	<b>Ch.2.22.</b> A regulated entity must ensure that all printed information it provides to consumers is of a print size that is clearly legible.
<b>INFORMATION ABOUT REGULATORY STATUS</b>	
<b><i>Proposed</i></b>	<b><i>Existing</i></b>
8. A regulated entity must include a regulatory disclosure statement: a) on its business stationery; b) in all advertisements; and c) on all electronic communications with consumers including on the home page of its website, if any.	<b>Ch.2.39.</b> A regulated entity must include a regulatory disclosure statement: a) on its business stationery; b) in all advertisements; and c) on all electronic communications with consumers including on the home page of its website, if any.
<b>In respect to c) above, a regulatory disclosure statement is not required on an SMS message.</b>	<b>New</b>
9. A regulated entity must <b>only use</b> the regulatory disclosure statement on its business stationery or electronic communications in connection with <b>activities</b> for which the firm <b>is authorised, registered or licensed</b> by the Central Bank.	<b>Ch.2.40.</b> A regulated entity <b>must not</b> use the regulatory disclosure statement on any business stationery, <b>advertisement</b> or electronic communication in connection with a <b>product or service</b> for which the firm <b>is not regulated</b> by the Financial Regulator.
<b>10. A regulated entity must use separate business stationery and electronic communications where it engages in an activity that falls outside of its Central Bank authorisation, registration or license.</b>	<b>New</b>
<b>11. In the case of a website, a regulated entity must have separate sections for the activities that fall inside and those that fall outside of its Central Bank authorisation, registration or license.</b>	<b>New</b>

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
<p>12. <b>Where a regulated entity is licensed, authorised, or registered by, the Central Bank</b>, the regulatory disclosure statement must take the following form:  “[Full legal name of regulated entity (and trading name(s), if applicable)] is regulated by the Central Bank of Ireland”.</p> <p><b>The regulatory disclosure statement must not include any additional information.</b></p>	<p><b>Ch.2.41.</b> The regulatory disclosure statement must take the following form:  “[Full legal name of regulated entity (and trading name, if applicable)] is regulated by the Financial Regulator”.</p>
<p>13. Where a regulated entity is operating in this State under EU law freedom of services or establishment provisions, the regulatory disclosure statement must take the following form:  "Full legal name of regulated entity (and trading name(s), if applicable) is authorised by (name of the competent authority from which it received its authorisation or licence, or with which it is registered) in (the name of the State where that competent authority resides), and is regulated by the Central Bank of Ireland for conduct of business rules only.”</p> <p>The regulatory disclosure statement must not include any additional information.</p>	<p><b>Ch.2.42.</b> A financial services provider operating in this State under EU law freedom of services or establishment provisions must disclose the name of the competent authority from which it received its authorisation, or with which it is registered, and the name of the State where that competent authority resides:  a) on its business stationery;  b) in all advertisements for services for which the regulated entity is subject to this Code; and  c) on all electronic communications with consumers including on the home page of its website, if any.</p>
<p>14. The regulatory disclosure statement must not be presented in such a way as to appear to be an endorsement by the Central Bank of the regulated entity or its products or services.</p>	<p><b>Ch.2.43.</b> The regulatory disclosure statement must not be presented in such a way as to appear to be an endorsement by the Financial Regulator of the regulated entity or its products or services.</p>
<b>INFORMATION ABOUT THE FIRM AND ITS SERVICES</b>	
<p>15. A regulated entity must draw up its terms of business and provide each consumer with a copy <b>at the outset of its relationship with the</b> consumer*.</p> <p><b>*Note: this does not apply to deposit agents</b></p>	<p><b>Ch.2.8.</b> A regulated entity must draw up its terms of business and provide each consumer with a copy <b>prior to providing the first service to that</b> consumer...</p>
<p>16. The terms of business must set out the basis on which the regulated entity provides its services and must include at least the following:</p>	<p><b>Ch.2.8...</b>the terms of business must set out the basis on which the regulated entity provides its services and must include at least the following:</p>
<p>a) the legal name, trading name (if any), address, and contact details of the regulated entity;</p>	<p>a) the legal name, trading name (if any), address, and contact details of the regulated entity;</p>
<p>b) the identity of the group to which the regulated entity belongs, if any;</p>	<p>b) the identity of the group to which the regulated entity belongs, if any;</p>
<p>c) confirmation that the regulated entity is authorised and the name of the competent authority that has authorised it;</p>	<p>c) confirmation that the regulated entity is authorised and the name of the competent authority that has authorised it;</p>

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
d) a statement that it is subject to the provisions of the Central Bank of Ireland's Consumer Protection Code which offers protection to consumers and that the Code can be found on the Central Bank's website <a href="http://www.centralbank.ie">www.centralbank.ie</a> ;	d) the regulatory status of the regulated entity;
e) a description of the services that the regulated entity provides;	e) a description of the services that the regulated entity provides;
f) if the regulated entity acts as an intermediary, the level of service it provides for each product type, i.e., whether fair analysis of the market or limited analysis of the market;	<b>New</b>
g) if the regulated entity is tied for any of the services outlined in e) above, the name of each product/service and regulated entity to which it is tied;	f) if the regulated entity is tied for any of the services outlined in e) above, the name of the regulated entity to which it is tied and details of the service for which it is tied;
h) a general statement of the charges imposed directly by the regulated entity;	g) a general statement of the charges imposed directly by the regulated entity;
i) a summary of the regulated entity's policy in relation to conflicts of interest;	h) a summary of the regulated entity's policy in relation to conflicts of interest;
j) an outline of the action and remedies which the regulated entity may take in the event of default by the consumer;	i) an outline of the action and remedies which the regulated entity may take in the event of default by the consumer;
k) a summary of the complaints procedure operated by the regulated entity;	j) a summary of the complaints procedure operated by the regulated entity;
l) if the regulated entity is a member of a compensation scheme, the name of the scheme and the nature and level of protection available from the scheme; and	k) if the regulated entity is a member of a compensation scheme, the name of the scheme and the nature and level of protection available from the scheme.
<b>m) the effective date of the document.</b>	<b>New</b>
17. A regulated entity must provide its terms of business to a consumer as a stand-alone document.	<b>Ch.2.10.</b> A regulated entity must provide its terms of business to a consumer as a stand-alone document.
18. Where a regulated entity makes a material change to its terms of business, it must provide each affected consumer with a revised terms of business as soon as possible and inform the consumer of the effective date.	<b>Ch.2.11.</b> Where a regulated entity makes a material change to its terms of business, it must provide each affected consumer with details of the change as soon as possible.



<b><i>Proposed</i></b>	<b><i>Existing</i></b>
19. A deposit agent must ensure that each consumer is given a copy of the relevant credit institution's terms of business prior to providing the first service to that consumer. Such terms of business must set out the nature of the relationship between the credit institution and the deposit agent and the basis on which the deposit agent's services are provided.	<b>Ch.2.9.</b> A deposit agent must ensure that each consumer is given a copy of the relevant credit institution's terms of business prior to providing the first service to that consumer. Such terms of business must set out the nature of the relationship between the credit institution and the deposit agent and the basis on which the deposit agent's services are provided.
20. A regulated entity must always disclose the following to consumers: a) where the regulated entity has a holding, direct or indirect, representing more than 10% of the voting rights or of the capital in another regulated entity; b) where another regulated entity has a holding, direct or indirect, representing more than 10% of the voting rights or of the capital in the regulated entity.	<b>New</b>
21. A regulated entity which offers financial services under a number of business names and <b>business</b> images, <b>whether directly or indirectly</b> , must disclose, in all correspondence with consumers, the identity of the group to which it belongs.	<b>Ch.5.9.</b> A regulated entity which offers financial services under a number of business names and <b>product</b> images or <b>through any direct outlets</b> must disclose, in all correspondence with consumers, the identity of the group to which it belongs.
22. Before providing a service, an intermediary must explain to each consumer the extent of the service to be provided.	<b>New</b>
23. An intermediary may only describe itself as 'independent' where all of the following apply:	<b>New</b>
a) the intermediary provides services on the basis of a fair analysis of the market; and	<b>New</b>
b) the entity must allow the consumer the option to pay for its services in full by means of a fee; and	<b>New</b>

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
<p>c) if the entity is part of a group of companies to which it directs business, it must disclose the name of the group of which it is a part.</p> <p>Where the regulated entity provides an independent service for some products and a more limited service for other products, it must explain the different nature of the services in a way that seeks to inform the consumer. It must ensure that there is no ambiguity about the range of services that it provides in an independent capacity.</p>	<b>New</b>
24. The term 'broker' may only be used to describe the services of an intermediary where the intermediary offers consumers a fair analysis of the market for that particular product or service.	<b>New</b>
25. Where an intermediary does not provide a product or service on the basis of a fair analysis of the market, it must clearly disclose to the consumer the names of those product producers whose products or services it intends to consider as part of its analysis.	<b>New</b>
26. Where an intermediary is tied to a single provider for a particular product it must disclose this fact in all advertisements and written material for that particular product.	<b>New</b>
<b>INFORMATION ABOUT PRODUCTS</b>	
27. Before offering, arranging or recommending a product, a regulated entity must provide information about the main features and restrictions of the product to the consumer, including where relevant, the nature and extent of the risks inherent in the product and the level, nature, extent and limitations of any guarantee attaching to the product and the name of the guarantor.	<b>New</b>
28. A regulated entity must provide each consumer with the terms and conditions attaching to a product or service, before the consumer enters into a contract for that product or service, or before the cooling-off period (if any) expires.	<b>Ch.2.21.</b> A regulated entity must provide each consumer with the terms and conditions attaching to a product or service, before the consumer enters into a contract for that product or service, or before the cooling-off period (if any) expires.
29. A regulated entity must inform each affected consumer in advance of acting on any term or condition attaching to a product or service purchased by the consumer.	<b>New</b>

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
30. When announcing a change in interest rates, a regulated entity must publish a notification which states clearly the date from which the changes will apply.	<b>Ch.3.3.</b> A credit institution must ensure that when it announces a change in interest rates, the notification states clearly the date from which the changes will apply.
31. Where a regulated entity changes the interest rate on accounts, it must update the information on information services, including telephone helplines and websites as soon as the change comes into effect.	<b>Ch.3.4.</b> Where a credit institution changes the interest rate on accounts, it must update the information on information services, including telephone helplines and websites as soon as the change comes into effect.
<b>Investment products</b>	
<p>32. Before offering, arranging or recommending an investment product the regulated entity must provide the consumer, where relevant, with information about:</p> <ul style="list-style-type: none"> <li>a) capital security;</li> <li>b) the risk that some or all of the investment may be lost;</li> <li>c) leverage and its effects;</li> <li>d) any limitations on the sale or disposal of the product;</li> <li>e) restrictions on access to funds invested;</li> <li>f) restrictions on the redemption of the product;</li> <li>g) the impact, including the cost, of exiting the product early;</li> <li>h) the minimum recommended investment period;</li> <li>i) the risk that the estimated or anticipated return will not be achieved; and</li> <li>j) the potential effects of volatility in price, fluctuation in interest rates, and/or movements in exchange rates on the value of the investment</li> </ul>	<b>New</b>
33. A regulated entity must provide consumers with pre-sale product information specific to that consumer that contains an estimation of the investment product's value after tax, at the end of year 1, 2, 3, 4, 5, 10, 15 and 20 (where applicable) assuming realistic growth rates.	<b>Ch.6.2.</b> A regulated entity must provide consumers with pre-sale product information specific to that consumer that contains an estimation of the investment product's value after tax, at the end of year 1, 2, 3, 4, 5, 10, 15 and 20 (where applicable) assuming realistic growth rates.
34. A regulated entity must ensure that all illustrations contained in investment product documentation must be shown pre- and post- any tax deduction due on surrender or encashment of the investment product.	<b>Ch.6.3.</b> A regulated entity must ensure that all illustrations contained in investment product documentation must be shown pre- and post- any tax deduction due on surrender or encashment of the investment product.

<i><b>Proposed</b></i>	<i><b>Existing</b></i>
35. A regulated entity must include the following statement with all illustrations: <b>Warning: These figures are estimates only. They are not a reliable guide to the future performance of your investment.</b>	<b>Ch.6.4.</b> A regulated entity must include the following statement with all illustrations: <b>Warning: These figures are estimates only. They are not a reliable guide to the future performance of your investment.</b>
36. Where a prospectus, other than a prospectus falling within the scope of the Prospectus Directive (2003/71/EC), represents or contains the terms of a contract between the regulated entity and one or more of its consumers, this fact must be clearly stated in the prospectus.	<b>Ch.6.7.</b> Where a prospectus, other than a prospectus falling within the scope of the Prospectus Directive (2003/71/EC), represents or contains the terms of a contract between the regulated entity and one or more of its consumers, this fact must be clearly stated in the prospectus.
<b>Banking products</b>	
37. Before providing a basic banking product to a consumer, a credit institution must first establish that the consumer is seeking a basic banking product. In addition, a credit institution must advise the consumer of:	<b>New</b>
a) any restrictions applying to the account (including any restrictions on access to funds, notice periods, limitations on ATM withdrawals); and	<b>New</b>
b) the availability of any lower cost alternatives with that credit institution, if any.	<b>New</b>
38. A credit institution must ensure that at least 10 business days before the maturity of a fixed term deposit, it alerts the consumer about its impending maturity.	<b>Ch.3.7.</b> A credit institution must ensure that at least 10 days before the maturity of a fixed term deposit, <b>which has a minimum term of 1 year</b> , it alerts the consumer about its impending maturity.
39. A <b>regulated entity</b> must, before a consumer opens a joint account: a) warn such consumer of the consequences of opening and operating such a joint account;	<b>Ch.3.9.</b> A <b>credit institution</b> must, before a consumer opens a joint account <b>which permits full access and use of funds in the account by either named party</b> , warn such consumer of the consequences of opening and operating such a joint account.
b) ascertain from the account holders any limitations that they wish to impose on the operations of the account <b>including any limitations in the event of the death of either account holder.</b>	<b>Ch.3.10.</b> A credit institution must ascertain from the accountholders of a joint account any limitations that they wish to impose on the operations of the account.

<i>Proposed</i>	<i>Existing</i>
<b>Credit</b>	
<p>40. Where credit is being advanced subject to a guarantee, the guarantee documentation must outline the obligations of the guarantor and must contain the following warning:</p> <p><b>Warning: As a guarantor of this <b>credit</b>, you will have to pay off the debts of the borrower up to the level of your guarantee, the interest and all associated charges if the borrower does not. Before you sign this guarantee you should get independent legal advice.</b></p>	<p><b>Ch.4.3.</b> Where a loan is being advanced subject to a guarantee, the guarantee must outline the obligations of the guarantor and must contain the following warning:</p> <p><b>Warning: As a guarantor of this <b>loan</b>, you will have to pay off the <b>loan</b>, the interest and all associated charges if the borrower does not. Before you sign this guarantee you should get independent legal advice.</b></p>
<p>41. The regulated entity must notify the guarantor in writing:</p> <p>a) if the terms of the <b>credit</b> agreement change;</p>	<p><b>Ch.4.4.</b> If the terms of the <b>loan</b> agreement change, the regulated entity must notify the guarantor in writing.</p>
<p>b) <b>when an account goes into</b> arrears; and</p>	<p><b>Ch.4.5.</b> <b>A regulated entity must have in place procedures for the handling of arrears cases.</b></p>
<p>c) <b>three months in advance of calling on a guarantee.</b></p>	<p><b>New</b></p>
<p>42. A regulated entity must notify affected consumers in writing in advance of any change in the interest rate. This notification must include:</p> <p>a) <b>the date from which the new rate will apply;</b></p> <p>b) <b>details of the old and new rate;</b></p> <p>c) <b>the revised repayment amount; and</b></p> <p>d) <b>an invitation for the consumer to contact the lender if he/she anticipates difficulties meeting the higher repayments.</b></p>	<p><b>New</b></p>
<p>43. Prior to a loan being approved, a regulated entity must explain to a consumer the effect of missing any of the scheduled repayments. This information must be highlighted in any relevant documentation and the following notice must also appear:</p> <p><b>Warning: If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating.</b></p>	<p><b>Ch.4.9.</b> Prior to a loan being approved, a regulated entity must explain to a consumer the effect, if any, of missing any of the scheduled repayments. This information must be highlighted in any relevant documentation and the following notice should also appear:</p> <p><b>Warning: If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating.</b></p>

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
44. Where a consumer is not in arrears and a regulated entity is seeking to move a consumer from a tracker rate to an alternative rate, for any reason, the lender must provide the consumer with the following information in writing at least two months before the proposed change, where applicable:	<b>New</b>
a) indicative comparisons of the cost of monthly repayments at the consumer's tracker rate and the alternative rate(s) being offered; and	<b>New</b>
b) details of the advantages and disadvantages of both the tracker mortgage rate compared to the other rate(s) being offered. The following warning should also appear: <b>Warning: By switching to an alternative rate, the tracker rate option will be terminated.</b>	<b>New</b>
45. Where a consumer is not in arrears and wishes to change from a tracker rate to an alternative rate, for any reason, the lender must provide the consumer with the information and warning outlined in Provision 44 at least two months before the proposed change, where applicable.	<b>New</b>
46. <b>Prior</b> to offering, arranging or recommending a mortgage to a consumer for the purpose of consolidating other loans or credit facilities, the regulated entity must provide the consumer with a written indicative comparison of the total cost of continuing with the existing facilities and the total cost of the consolidated facility on offer. <b>Any assumptions made must be reasonable and justifiable.</b>	<b>Ch.4.10.</b> Where a mortgage <b>is offered</b> to a consumer for the purpose of consolidating other loans or credit facilities, the regulated entity must provide the consumer with a written indicative comparison of the total cost of continuing with the existing facilities and the total cost of the consolidated facility on offer.
47. Where a regulated entity provides a fixed interest rate on a mortgage to a consumer, it must provide the consumer with a worked example of the early redemption charge in financial terms and details in relation to the calculation of this charge in the mortgage documentation.	<b>New</b>

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
48. Where a regulated entity is making a mortgage offer, it must inform the consumer of the amount of the mortgage and the length of time for which the mortgage offer is valid, assuming that all details provided by the consumer are correct and do not change.	<b>New</b>
49. Where a consumer's credit application is rejected, a regulated entity must clearly outline in writing to the consumer the reasons why the credit was not approved.	<b>New</b>
<b>Insurance products</b>	
50. A regulated entity must, when providing a quote to a consumer, inform the consumer of the amount of the quotation and the length of time for which the quotation will be valid, assuming that all details provided by the consumer are correct and do not change.	<b>Ch.5.1.</b> A regulated entity must, when providing a quote to a consumer, inform the consumer of the amount of the quotation and the length of time for which the quotation will be valid, assuming that all details provided by the consumer are correct and do not change.
51. A regulated entity must express clearly in the quotation any warranties or endorsements. These sections in the quotation documents must not be detailed in smaller print than other information provided in the documents <b>and the information given must be to a level that enables the consumer to make an informed choice.</b>	<b>Ch.5.2.</b> A regulated entity must express clearly in the quotation <b>documents</b> any warranties or endorsements. These sections in the quotation documents must not be detailed in smaller print than other information provided in the documents.
52. A regulated entity must clearly identify any discounts or loadings applying to the policy at the quotation stage.	<b>Ch.5.3.</b> A regulated entity must clearly identify any discounts or loadings applying to the policy at the quotation stage.
53. A regulated entity must state the full legal name of the relevant underwriter on all quotations, policy documentation and renewal notices issued to a consumer.	<b>Ch.5.4.</b> A regulated entity must state the full legal name of the relevant underwriter on all quotations, policy documentation and renewal notices issued to a consumer
54. A regulated entity must explain to a consumer the consequences of failure to make full disclosure on the proposal form of such consumer's medical details or history.	<b>Ch.5.5.</b> A regulated entity must explain to a consumer the consequences of failure to make full disclosure on the proposal form of such consumer's medical details or history.
55. A regulated entity must, before completing a proposal form for a permanent health insurance policy, explain to the consumer the meaning of disability <b>as defined in the policy</b> , the benefits available under the policy, <b>the exclusions that apply</b> , and the reductions applied to the benefit where there are disability payments from other sources.	<b>Ch.5.6.</b> A regulated entity must, before completing a proposal form for a permanent health insurance policy, explain to the consumer the meaning of disability, the benefit available under the policy and the reductions applied to the benefit where there are disability payments from other sources.

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
56. A regulated entity providing serious illness policies must, before completing a proposal form, explain clearly to the consumer the restrictions, conditions and exclusions that attach to <b>that policy</b> .	<b>Ch.5.7.</b> A regulated entity providing serious illness policies must, before completing a proposal form, explain clearly to the consumer the restrictions, conditions and exclusions that attach to <b>the policies</b> .
57. A regulated entity must issue policy documents to the consumer within 10 business days of all relevant information being provided by the consumer and cover being underwritten. <b>This provision also applies in the case of renewals.</b>	<b>Ch.5.8.</b> A regulated entity must issue policy documents to the consumer within 10 business days of all relevant information being provided by the consumer and cover being underwritten.
58. Where an insurance undertaking refuses to quote for motor insurance, it must, on request from the consumer, state its reasons in writing. The insurance undertaking must advise the consumer immediately of their right to refer the matter to the Declined Cases Committee of the Irish Insurance Federation and the method of doing so.	<b>Ch.5.10.</b> Where an insurance undertaking refuses to quote for motor insurance, it must, on request from the consumer, state its reasons in writing. The insurance undertaking must advise the consumer immediately of their right to refer the matter to the Declined Cases Committee of the Irish Insurance Federation and the method of doing so.
59. When a consumer advises a regulated entity of the intention to <b>use an insured vehicle</b> in another Member State, the regulated entity must provide the consumer with details of the regulated entity's appointed claims representative <b>for</b> that Member State.	<b>Ch.5.11.</b> When a consumer advises a regulated entity of the intention <b>to travel</b> to another Member State, the regulated entity must provide the consumer with details of the regulated entity's appointed claims representative <b>in</b> that Member State.
60. Where a secondary market exists for a life policy, and when the holder of such a life policy seeks information on its early surrender, the regulated entity must divulge to the holder, at the same time as it discloses the surrender value of the policy, that this secondary market exists and that the policy may be sold on it.	<b>Ch.5.13.</b> Where a secondary market exists for a life policy, and when the holder of such a life policy seeks information on its early surrender, the regulated entity must divulge to the holder, at the same time as it discloses the surrender value of the policy, that this secondary market exists and that the policy may be sold on it.
61. <b>Before offering an insurance policy where the premium may be subject to review during the term of the policy, a regulated entity must:</b> a) <b>explain clearly to the consumer the risk that the premium may increase;</b> b) <b>provide the consumer with details of the period for which the initial premium is fixed; and</b> c) <b>include the following warning on the application form for the product:</b> <b>Warning: The current premium may increase after [insert number of years for which the premium is guaranteed] years.</b>	<b>New</b>



<i>Proposed</i>	<i>Existing</i>
Not included in new code	<b>Ch.5.12.</b> In the event of an insurance intermediary retiring and the book of business being passed to another insurance intermediary, all consumers must be informed in writing of the option to decline to have their details transferred.
<b>Lifetime mortgages and home reversion agreements</b>	
62. A regulated entity must advise the consumer of the consequences of a lifetime mortgage or a home reversion agreement, including details of the total costs involved, including all interest, charges and the effect on the existing mortgage, if any.	<b>Ch.4.16.</b> A regulated entity must advise the consumer of the consequences of lifetime mortgages including details of the total costs involved, including all interest, charges and the effect on the existing mortgage, if any.
63. A regulated entity must ensure that consumers are made aware of the importance of seeking independent legal advice.	<b>Ch.4.17.</b> A regulated entity must ensure that consumers are made aware of the importance of seeking independent legal advice.
64. A regulated entity must include the following warning on any information document, application form or any other document given to the consumer in connection with a lifetime mortgage <b>or home reversion agreement:</b> <b>Warning: Purchasing this product may negatively impact on your ability to fund future needs.</b>	<b>Ch.4.18.</b> A regulated entity must include the following warning on any information document, application form or any other document given to the consumer in connection with a lifetime mortgage: <b>Warning: Purchasing this product may negatively impact on your ability to fund future needs.</b>
<b>Tracker bonds</b>	
65. A regulated entity must provide the following information in a prominent position in a tracker bond product brochure, if any, and on a tracker bond application form:	<b>Ch.6.8.</b> A regulated entity must provide the following information in a prominent position in a tracker bond product brochure, if any, and on a tracker bond application form:
a) for investments in products that do not promise the 100% return of a consumer's capital on maturity, the following statement: <b>Warning: The value of your investment may go down as well as up. You may get back less than you put in.</b>	a) for investments in products that do not promise the 100% return of a consumer's capital on maturity, the following statement: <b>Warning: The value of your investment may go down as well as up. You may get back less than you put in.</b>
b) where the promised return is known but is less than the initial 100% invested the following statement: <b>Warning: If you invest in this product you could lose xx% of the money you put in.</b>	b) where the promised return is known but is less than the initial 100% invested the following statement: <b>Warning: If you invest in this product you could lose xx% of the money you put in.</b>

<i>Proposed</i>	<i>Existing</i>
c) if the promised 'return of capital' is only applicable on a specific date, this date and the following statement: <b>Warning: If you cash in your investment before [specify the particular date] you may lose some or all of the money you put in.</b>	c) if the promised 'return of capital' is only applicable on a specific date, this date and the following statement: <b>Warning: If you cash in your investment before [specify the particular date] you may lose some or all of the money you put in.</b>
d) if there is no access to funds for the term of the product, the following statement: <b>Warning: If you invest in this product you will not have any access to your money for (insert time required before the product matures).</b>	<b>New</b>
e) the nature, extent and limitations of any guarantee attaching to the product and the name of the ultimate provider of any guarantee.	d) the name of the ultimate provider of any guarantee.
66. A regulated entity must provide a consumer with a "Key Features Document", of a type referred to in the Appendix A to this Code before the consumer signs an application form for a tracker bond. Where the information required by the Key Features Document is already provided to the consumer under a legal requirement to do so, the regulated entity is not obliged to include that information in the Key Features Document.	<b>Ch.6.9.</b> A regulated entity must provide a consumer with a 'Key Features Document', of a type referred to in the Appendix to this Chapter before the consumer signs an application form for a tracker bond. Where the information required by the Key Features Document is already provided to the consumer under a legal requirement to do so, the regulated entity is not obliged to include that information in the Key Features Document.
67. A regulated entity must provide a consumer who has invested in a tracker bond with a document within <b>five business days</b> of the start of the fund, setting out:	<b>Ch.6.10.</b> A regulated entity must provide a consumer who has invested in a tracker bond with a document within <b>2 business days</b> of the start of the fund, setting out:
a) the name(s) and address(es) of the consumer(s);	a) the name and address of the consumer;
b) the date of investment;	b) the date of investment;
c) the amount of the investment;	c) the amount of the investment;
d) the date or dates on which the promised minimum payment is payable;	d) the date or dates on which the promised minimum payment is payable;
e) disclosure of the make up of the investment, if the make up differs from that shown in the Key Features Document prepared in accordance with <b>Provision 66</b> ; and	e) disclosure of the make up of the investment, if the make up differs from that shown in the Key Features Document prepared in accordance with <b>Requirement 9</b> ; and
f) the date the investment will mature.	f) the date the investment will mature.

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
68. Where a regulated entity shows an illustration of the projected return on investment of a tracker bond, the value of the total return must be expressed and shown as prominently as the equivalent compound annual rate.	<b>Ch.6.11.</b> Where a regulated entity shows an illustration of the projected return on investment of a tracker bond, the value of the total return must be expressed and shown as prominently as the equivalent compound annual rate.
Not included in new code	<b>Ch.6.12.</b> A regulated entity must not provide an illustration of an investment of a tracker bond to a consumer where the illustration shows the return that investment could have provided over any prior investment period.
69. Where a regulated entity offers a consumer the facility to borrow funds to invest in a tracker bond, the regulated entity must give the consumer an illustration showing:	<b>Ch.6.13.</b> Where a regulated entity offers a consumer the facility to borrow funds to invest in a tracker bond, the regulated entity must give the consumer an illustration showing:
a) the year-by-year and total interest payments the consumer is likely to have to pay in respect of the funds borrowed to invest in the tracker bond, until the date the product matures;	a) the year-by-year and total interest payments the consumer is likely to have to pay in respect of the funds borrowed to invest in the tracker bond, until the date the product matures;
(i) for this purpose the fixed interest rate offered by the lender for the period to the date of the promised payment under the tracker bond must only be used.	b) for this purpose the fixed interest rate offered by the lender for the period to the date of the promised payment under the tracker bond should only be used.
(ii) where the lender does not offer a fixed interest rate over this period, an equivalent open market fixed interest rate should be used for this purpose.	b) Where the lender does not offer a fixed interest rate over this period, an equivalent open market fixed interest rate should be used for this purpose;
b) the compound annual rate equivalent of the promised payment under the relevant tracker bond must be shown prominently; and	c) the compound annual rate equivalent of the promised payment under the relevant tracker bond must be shown prominently; and
c) the difference between the promised payment under the tracker bond and the total projected outgoings of the consumer (i.e. interest payments related to the funds borrowed to invest, any capital repayments related to such borrowings and any capital investment by the consumer other than the borrowed funds) over the period to the date of promised payment under the tracker bond.	d) the difference between the promised payment under the tracker bond and the total projected outgoings of the consumer (i.e. interest payments related to the funds borrowed to invest, any capital repayments related to such borrowings and any capital investment by the consumer other than the borrowed funds) over the period to the date of promised payment under the tracker bond.

<i>Proposed</i>	<i>Existing</i>
<b>Personal Retirement Savings Accounts (PRSAs)</b>	
70. Before offering, arranging or recommending PRSAs, a regulated entity must provide the consumer with the information set out in Appendix B to this Code. Where a non-standard PRSA is recommended to a consumer, both the consumer and the regulated entity must complete the declaration set out in Appendix C to this Code.	<b>New</b>
<b>INFORMATION ABOUT CHARGES</b>	
71. A regulated entity must, where applicable:	<b>Ch2.44</b> A regulated entity must, where applicable:
a) provide the consumer with a <b>written breakdown</b> of all charges, including third party charges, which the regulated entity will pass on to the consumer, prior to providing a product or service to the consumer. Where such charges cannot be ascertained in advance, the regulated entity must advise the consumer that such charges will be levied as part of the transaction;	a) provide the consumer with <b>details</b> of all charges, including third party charges, which the regulated entity will pass on to the consumer, prior to providing a service to the consumer and where such charges cannot be ascertained in advance, the regulated entity must advise the consumer that such charges will be levied as part of the transaction;
b) advise affected consumers of <b>changes in charges, specifying the old and new charge</b> , or the introduction of any new charges, at least 30 days before the change takes effect; and	b) advise affected consumers of <b>increases in charges</b> , or the introduction of any new charges, at least 30 days before the change takes effect;
c) where charges are accumulated and applied periodically to accounts, advise consumers at least 10 business days before deduction of charges and give each consumer a breakdown of such charges, except where charges total an amount of <b>€10 or less</b> .	d) where charges are accumulated and applied periodically to accounts, advise consumers at least 10 business days before deduction of charges and give each consumer a breakdown of such charges, except where charges total an amount of <b>€12.70 or less</b> .
72. A credit institution must advise consumers who are subject to penalties, including interest surcharges, of the methods by which these penalties may be mitigated.	<b>Ch3.5</b> A credit institution must advise consumers who are subject to penalties, including interest surcharges, of the methods by which these penalties may be mitigated.
73. Where a regulated entity intends to impose a charge in respect of the provision or arrangement of a mortgage, and it is proposed that this charge is incorporated into the mortgage, a regulated entity must:	<b>New</b>
a) inform the consumer, in writing, of the total cost of this charge over the term of the mortgage; and	<b>New</b>
b) give the consumer the option to pay such a charge up-front.	<b>New</b>

<i><b>Proposed</b></i>	<i><b>Existing</b></i>
This requirement is now contained within the specific statement requirements in Chapter 6; Banking products, section 4, Credit, sections 8&9 and Investment Products, section 11	<b>Ch2.44.c)</b> A regulated entity must, where applicable: detail in each statement provided to the consumer, all charges applied during the period covered by that statement;
<b>INFORMATION ABOUT REMUNERATION</b>	
74. Prior to offering, arranging or providing a product or service other than a non-life insurance product or service, a regulated entity must disclose in writing to a consumer the existence, nature and amount of any fee, commission or other remuneration received or to be received from a product producer in relation to that product or service. Where the amount cannot be ascertained, the method of calculating that amount must be disclosed. The disclosure must be in a manner that is comprehensive, accurate and understandable.	<b>New</b>
75. Where remuneration is received on an ongoing basis, a regulated entity must disclose in writing the nature of the service provided to the consumer in respect of this remuneration.	<b>New</b>
76. In the case of non-life insurance: a) A regulated entity must disclose in general terms that it is paid for the service provided to the consumer by means of a remuneration arrangement with the product producer. b) Prior to the sale of a product, a regulated entity must either inform the consumer of the amount of remuneration receivable in respect of that sale or that details of remuneration are available on request.	<b>New</b>
77. A regulated entity must disclose in general terms any remuneration arrangements with product producers that are not directly attributed to the service provided to an individual consumer but are based on levels of business introduced by the regulated entity to that product producer or that may be perceived as having the potential to create a conflict of interest.	<b>New</b>
78. The disclosure required at Provisions 76 and 77 must be in the terms of business or through some other suitable mechanism, and with renewal notices.	<b>New</b>

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
<p>79. Where a regulated entity allows the consumer the option to pay for its services by means of a fee, the option of payment by fee and the amount of the fee must be explained in advance to the consumer.</p> <p>Where a regulated entity charges a fee and also receives commission in respect of the product or service provided to the consumer, it must explain to the consumer whether or not the commission will be offset against the fee, either in part or in full.</p>	<b>New</b>
<p>80. A regulated entity must display a schedule of its fees in a public area of its premises.</p>	<b>New</b>

<b>CHAPTER 5 – Knowing the Customer and Suitability</b>	
<b>Knowing the Customer</b>	
<i><b>Proposed</b></i>	<i><b>Existing</b></i>
1. Before offering, <b>arranging or recommending</b> a product or service, a regulated entity must gather and record sufficient information from the consumer to enable it to provide a recommendation or a product or service appropriate to that consumer. The level of information gathered should be appropriate to the nature and complexity of the product or service being sought by the consumer, but must be to a level that allows the regulated entity to provide a professional service <b>and must include, where relevant, details of the consumer's</b> :	<b>Ch2.24.</b> Before <b>providing</b> a product or service <b>to a consumer</b> , a regulated entity must gather and record sufficient information from the consumer to enable it to provide a recommendation or a product or service appropriate to that consumer. The level of information gathered should be appropriate to the nature and complexity of the product or service being sought by the consumer, but must be to a level that allows the regulated entity to provide a professional service. <b>This requirement does not apply where:</b> i) the consumer has specified both the product and the product provider and has not received any advice; or ii) the consumer is purchasing or selling foreign currency; or iii) the regulated entity has established that the consumer is seeking a basic banking product or service.
a) Needs and objectives (including, where relevant, the length of time for which the consumer wishes to hold a product, need for access to funds, need for emergency funds);	<b>New</b>
b) Personal circumstances (including age, health, knowledge and experience of financial products, dependents, potential changes to his/her circumstances);	<b>New</b>
c) Financial situation (including income, financial products and other assets, debts and financial commitments); and	<b>New</b>
d) Attitude to risk (in particular, the importance of capital security to the consumer).	<b>New</b>
In the case of a mortgage, a regulated entity must use a Standard Financial Statement to obtain financial data from the consumer.	<b>New</b>
2. A regulated entity must gather and <b>maintain a record</b> of details of any material changes to a consumer's circumstances before providing that consumer with a subsequent product or service. <b>Where there is no material change, this must be noted on a consumer's records.</b>	<b>Ch2.25.</b> A regulated entity must gather and <b>record</b> details of any material changes to a consumer's circumstances before providing that consumer with a subsequent product or service.

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
3. A regulated entity must ensure that, where a consumer refuses to provide information sought in compliance with <b>Provisions 1 and 2</b> , the refusal is noted on that consumer's records <b>and that it advises the consumer that it does not have the information necessary to assess suitability and cannot offer the consumer the product or service sought.</b>	<b>Ch2.27.</b> A regulated entity must ensure that, where a consumer refuses to provide information sought in compliance <b>with this Code</b> , the refusal is noted on that consumer's records.
4. A regulated entity must endeavour to have the consumer certify the accuracy of the information it has provided to the regulated entity. Where the consumer declines to do so, the regulated entity must note this on the consumer's records.	<b>Ch2.28.</b> A regulated entity must endeavour to have the consumer certify the accuracy of the information it has provided to the regulated entity. Where the consumer declines to do so, the regulated entity must note this on the consumer's records.
<b>5. Before a mortgage can be drawn down a lender must have had sight of all original supporting documentation including bank statements, P60/certificate of earnings and other supporting documentation evidencing the consumer's identity and ability to repay. A declaration signed by the consumer, (or his representative), certifying their income and/or ability to repay is not sufficient evidence for these purposes.</b>	<b>New</b>
6. A mortgage intermediary must submit a signed declaration to the lender, for each mortgage application, to confirm that it has had sight of all such original documentation <b>listed in Provision 5.</b>	<b>Ch4.14.</b> <b>Before a mortgage can be drawn down</b> , a mortgage intermediary must submit to a mortgage lender a signed declaration that such mortgage intermediary has had sight of all original supporting documentation <b>including bank statements, P60/certificate of earnings and other supporting documentation evidencing the consumer's identity and ability to repay.</b>
<b>7. A regulated entity must be satisfied with the reasonableness of the information contained in and the authenticity of the documentation submitted by a consumer in support of a mortgage application.</b>	<b>New</b>
8. A regulated entity must ensure that it has sight of an original valuation report before drawdown of the funds.	<b>Ch4.15.</b> A regulated entity must ensure that it has sight of an original valuation report before drawdown of the funds.



<b><i>Proposed</i></b>	<b><i>Existing</i></b>
9. In the case of a standard PRSA, where an employer has chosen a provider and the regulated entity makes a presentation to employees, the minimum relevant information required by the regulated entity is to establish that the consumer is an employee of the firm, has no other form of pension provisions and intends to select the default investment strategy of the provider.	<b>Ch2.26.</b> In the case of a standard PRSA, where an employer has chosen a provider and the regulated entity makes a presentation to employees, the minimum relevant information required by the regulated entity is to establish that the consumer is an employee of the firm, has no other form of pension provisions and intends to select the default investment strategy of the provider.
<b>SUITABILITY</b>	
<b>Assessing suitability</b>	
10. When assessing the suitability of a product or service for a consumer, the regulated entity must, at a minimum, consider and document whether:	<b>New</b>
a) the product/service meets that consumer's needs and objectives;	<b>New</b>
b) the consumer is able to meet the financial commitment associated with the product on an ongoing basis and/or is financially able to bear any related risks consistent with their needs and objectives;	<b>New</b>
c) the <b>consumer</b> has the necessary experience and knowledge in order to understand the risks involved; and,	<b>New</b>
d) the <b>consumer</b> may be a <b>vulnerable consumer</b> , and as such, has particular needs and circumstances that require due consideration.	<b>New</b>
In addition, in the case of a mortgage, a <b>regulated entity</b> must consider the information contained in a <b>Standard Financial Statement</b> when assessing the <b>consumer's</b> ability to service mortgage repayments.	<b>New</b>
11. A regulated entity must ensure that any product or service offered to a consumer is suitable to that consumer, having regard to the facts disclosed by the consumer and other relevant facts about that consumer of which the regulated entity is aware. The following additional requirements apply:	<b>Ch2.30.</b> A regulated entity must ensure that, having regard to the facts disclosed by the consumer and other relevant facts about that consumer of which the regulated entity is aware: a) any product or service offered to a consumer is suitable to that consumer;
a) where a <b>regulated entity</b> offers a selection of product options to the consumer, the product options contained in the selection <b>must</b> represent the most suitable from the range available to the	b) where <b>it</b> offers a selection of product options to the consumer, the product options contained in the selection represent the most suitable from the range available to the regulated entity; or

regulated entity; and	
<b><i>Proposed</i></b>	<b><i>Existing</i></b>
b) where a regulated entity recommends a product to a consumer, the recommended product <b>must be</b> the most suitable product for that consumer.	c) where it recommends a product to a consumer, the recommended product <b>is</b> the most suitable product for that consumer.
12. Before offering, arranging or recommending credit to a consumer, a regulated entity must fully assess the consumer's ability to service the repayments.	<b>New</b>
13. A regulated entity must, when assessing the consumer's ability to repay, calculate the impact on the repayment amount of a 2% interest rate increase above the interest rate offered to the consumer. Where the consumer is availing of an introductory interest rate, the calculation must be based on the lender's standard variable rate or fixed rate, whichever is to be applied after the introductory period. This information must be provided to the consumer. The lender must calculate the impact of the rate increase and must provide these calculations to the mortgage intermediary.	<b>New</b>
14. Before offering, arranging or recommending an interest-only mortgage to a consumer, a regulated entity must be satisfied that the consumer will be able to repay the principal at the end of the mortgage term.	<b>New</b>
15. Before offering, arranging or recommending a mortgage on an interest-only basis for a limited duration, a <b>regulated entity</b> must be satisfied that the <b>consumer</b> will be able to meet the increased mortgage repayments at the end of the interest-only period.	<b>New</b>

Proposed	Existing
16. A regulated entity must not advise a consumer to carry out a transaction, or a series of transactions, with a frequency or in amounts that, when taken together, are deemed to be excessive and/or detrimental to the consumer's best interests. The regulated entity must make a contemporaneous record that it has advised the consumer that in its opinion the transaction(s) <b>is/are</b> excessive, if the consumer wishes to proceed with the transaction(s).	<b>Ch6.6.</b> A regulated entity must not advise a consumer to carry out <b>an investment product</b> transaction, or a series of <b>investment product</b> transactions, with a frequency or in amounts to the extent that <b>those investment product transactions</b> , when taken together, are deemed to be excessive and/or detrimental to the consumer's best interests. The regulated entity must make a contemporaneous record that it has advised the consumer that in its opinion the <b>investment product</b> transaction(s) are excessive, if the consumer wishes to proceed with the <b>investment product</b> transaction(s).
<b>Statement of suitability</b>	
17. Before <b>offering, arranging or recommending</b> a product or service, a regulated entity must prepare a written statement setting out:	<b>Ch2.31.</b> Before <b>providing</b> a product or service to a consumer, a regulated entity must prepare a written statement setting out:
a) the reasons why a product or service offered to a consumer is considered to be suitable to that consumer; or	a) the reasons why a product or service offered to a consumer is considered to be suitable to that consumer;
b) the reasons why each of a selection of product options offered to a consumer are considered to be suitable to that consumer; or	b) the reasons why each of a selection of product options offered to a consumer are considered to be suitable to that consumer; or
c) the reasons why a recommended product is considered to be the most suitable product for that consumer.	c) the reasons why a recommended product is considered to be the most suitable product for that consumer.
<b>The written statement must include an outline of how the product meets the consumer's needs and objectives, and the following, where relevant:</b> i) how the product is suitable for the consumer taking into account the consumer's specific vulnerabilities; ii) how the risk profile of the product is aligned with the consumer's attitude to risk; iii) how the nature, extent and limitations of any guarantee attached to the product is aligned with the consumer's attitude to risk; and iv) where a non-standard PRSA is recommended, the statement must demonstrate why the non-standard PRSA is more appropriate than a relevant standard PRSA.	<b>New</b>

<i><b>Proposed</b></i>	<i><b>Existing</b></i>
18. The written statement must be dated on the day that it is completed and tailored to the particular circumstances of each consumer. In the case of personal motor and home insurance, a statement of suitability may be in a standard format.	<b>New</b>
19. The regulated entity must give a copy of this statement to the consumer <b>before providing a product or service</b> and retain a copy. In the case of non-life insurance policies, a statement of suitability may be issued to the consumer immediately after the product has been provided only in urgent situations.	<b>Ch2.31.</b> The regulated entity must give a copy of this <b>written</b> statement to the consumer and retain a copy.
<b>EXEMPTION FROM KNOWING THE CONSUMER AND SUITABILITY</b>	
20. Provisions 1- 4, 10-11 and 17-19 (inclusive) do not apply where:	<b>Ch2.31. &amp; Ch2.30</b> This (suitability) requirement does not apply where:
a) the consumer has specified both the product and the <b>product producer</b> and has <b>otherwise not engaged with the regulated entity in relation to that product; or</b>	i) the consumer has specified both the product and <b>the provider</b> and has <b>not received any advice;</b>
b) the consumer is purchasing or selling foreign currency; or	ii) the consumer is purchasing or selling foreign currency; or
c) the regulated entity has established that the consumer is seeking a basic banking product or service; or	iii) where, in the context of the provision of a basic banking product or service, <b>the regulated entity has alerted the consumer to any restrictions on the account and/or the availability of a lower cost alternative.</b>
d) the consumer is seeking credit that falls within the scope of the European Communities (Consumer Credit Agreements) Regulations 2010.	<b>New</b>
In relation to a) above, before providing the product or service the regulated entity must warn the consumer that the regulated entity does not have the information to determine the suitability of that product for the consumer and must obtain written confirmation from the consumer that such warning has been received.	<b>New</b>
This exemption does not apply where the consumer is availing of a credit facility that falls outside the scope of the European Communities (Consumer Credit Agreements) Regulations 2010 or is purchasing a lifetime mortgage or home reversion agreement.	<b>New</b>

<b>CHAPTER 6 – Statements</b>	
<b><i>Proposed</i></b>	<b><i>Existing</i></b>
1. Statements must be issued to the consumer's last known postal address, or be made available to the consumer electronically if the consumer so requests.	<b>Ch3.1.b)</b> This statement must...be issued to the consumer's last known postal address, or be made available to the consumer electronically if the consumer so requests;
2. A regulated entity must not use abbreviations, acronyms or numerical references to depict any of the items of information listed in a statement of transactions.	<b>New</b>
3. Where the account is a joint account, the statement must be issued separately to each of the joint account holders.	<b>New</b>
<b>Banking products</b>	
4. A credit institution must, at least annually, issue statements of transactions on all deposit accounts with a balance in excess of €20, and on all current accounts, unless otherwise agreed with the consumer in writing.	<b>Ch.3.1.</b> A credit institution must, at least annually, issue statements of transactions on all accounts with a balance in excess of €20, unless otherwise agreed with the consumer in writing.
This statement must include, where applicable:	This statement must:
i) the opening balance;	<b>New</b>
ii) all additions, including interest;	<b>New</b>
iii) all withdrawals including charges and interest;	<b>New</b>
iv) the closing balance;	<b>New</b>
v) details of the interest rates applied to the account during the period covered by the statement;	<b>Ch.3.1.a)</b> include details of the interest rates applied to the account during the period covered by the statement;
vi) where tax is deducted from interest earned, provide information on the tax deducted or inform consumers how they may obtain a certificate detailing the tax paid.	<b>Ch.3.1.c)</b> where tax is deducted from interest paid, provide information on the tax deducted or inform consumers how they may obtain a certificate detailing the tax paid.

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
5. A credit institution must, on request, provide consumers who fall within part b) and part c) of the definition of consumer, with three years of current account history without charge and provide other consumers with 12 months of current account statements without charge.	<b>New</b>
6. A credit institution must provide a <b>consumer</b> who holds a deposit account with:	<b>Ch.3.6</b> A credit institution must <b>make available</b> to <b>existing</b> deposit holding consumers,
a) details of the different interest rates that are being applied to the credit institution's other deposit accounts; and	<b>Ch.3.6</b> ...details of the different interest rates that are being applied to <b>its</b> other deposit accounts.
b) a stand-alone annual statement of the total interest earned on the account	<b>New</b>
7. A credit institution must provide a consumer who holds a current account with a stand-alone annual statement setting out: a) the total amount of charges applied to the account during the year, b) the total amount of interest earned on the account during the year, and c) the total amount of interest paid on the account during the year.	<b>New</b>
<b>Credit</b>	
8. A regulated entity must, at least annually, issue a statement of account in respect of a loan, unless otherwise agreed with the consumer in writing.	<b>New</b>
This statement must include: a) opening balance; b) details of all transactions; c) interest amount charged; d) details of any charges applied; e) outstanding balance due; and f) details of the interest rate applied to the account, during the period covered by the statement.	<b>New</b>
9. A regulated entity must include the following information on all credit card account statements: a) opening balance; b) details of all transactions posted to the account; c) interest amount charged; and d) any outstanding balance due.	<b>New</b>

<i><b>Proposed</b></i>	<i><b>Existing</b></i>
<p>The statement must also include the following information presented in a separate summary box:</p> <p>e) details of the interest rate applied to the account during the period covered by the statement;</p> <p>f) details of any charges applied to the account;</p> <p>g) final payment dates applicable to postal, branch and telephone/internet payments; and</p> <p>h) the amount of stamp duty liable and a notification that this is due on 1 April annually or at the date of account closure.</p>	<b>New</b>
<p>10. In addition to Provision 9 above, a credit card statement must include the following notices, where applicable:</p>	<b>New</b>
<p>a) A notice on interest charged method:  <b>Warning: Interest will not be charged on purchases if you pay the full amount shown on your statement by the due date. If the balance is not cleared in full, you will be charged interest on the full amount.</b></p>	<b>New</b>
<p>b) A minimum payment warning:  <b>Warning: If you only make the minimum payment each month, you will not clear your balance until [Insert Date]</b>  <b>or</b>  <b>You will have to pay [€X amount] over [X months] to clear the debt.</b></p>	<b>New</b>
<p>c) A statement regarding transactions outside the normal spending pattern:  <b>You should advise your lender if you will be making transactions outside your normal spending pattern, as unusual transactions may be declined.</b></p>	<b>New</b>

<b>Investment products</b>	
<b><i>Proposed</i></b>	<b><i>Existing</i></b>
11. A regulated entity must issue statements for each investment product held with it at least on an annual basis, either on an actual basis in respect of the previous 12-month period or on a forecast basis in respect of the next 12-month period, unless otherwise agreed, in writing, with the consumer. The statements <b>must</b> include, <b>where applicable</b> :	<b>Ch.6.1.</b> A regulated entity must issue statements <b>of investment product transactions</b> for each investment product held with it at least on an annual basis, either on an actual basis in respect of the previous 12-month period or on a forecast basis in respect of the next 12-month period, unless otherwise agreed, in writing, with the consumer. The statements <b>should</b> include, at a minimum:
a) the opening balance or value;	a) the opening balance or value;
b) all additions <b>including additional amounts invested</b> in the relevant 12-month period;	b) all additions..... in the relevant 12-month period;
c) all withdrawals in the relevant 12-month period;	b) all.... withdrawals in the relevant 12-month period;
d) the total sum invested in the relevant 12-month period;	c) the total sum invested in the relevant 12-month period;
<b>e) the number of units held during the relevant 12-month period;</b>	<b>New</b>
<b>f) details of interest paid during the relevant 12-month period;</b>	<b>New</b>
g) all charges and deductions affecting the investment product including any charges associated with the management, selling, set up and ongoing administration of the investment product; and	e) all charges and deductions affecting the investment product including any charges associated with the management, selling, set up and ongoing administration of the investment product.
h) a closing balance or statement of the value of the investment.	d) a closing balance or statement of the value of the investment; and



<b>CHAPTER 7 – Transfer of Residential Mortgages</b>	
<i><b>Proposed</b></i>	<i><b>Existing Code of Practice on the Transfer of Mortgages</b></i>
1. A loan secured by the mortgage of residential property may not be transferred <b>to a third party</b> without the written consent of the borrower. When seeking consent from a borrower, the lender must provide a statement containing sufficient information to enable the borrower to make an informed decision. This statement must include a clear explanation of the implications of a transfer and how the transfer might affect the borrower. <b>Each</b> borrower must be <b>afforded three months to decide whether</b> to give or to decline to give his/ <b>her</b> consent.	1. A loan secured by the mortgage of residential property may not be transferred without the written consent of the borrower. When seeking consent from <b>either an existing or a new</b> borrower the lender must provide a statement containing sufficient information to enable the borrower to make an informed decision. This statement, <b>which must be cleared in advance with the Central Bank of Ireland</b> , must include a clear explanation of the implications of a transfer ( <b>including the borrower's future membership status where the lender is a building society</b> ) and how the transfer might affect the borrower. <b>The</b> borrower must be <b>approached on an individual basis and given reasonable time</b> to give or to decline to give his consent.
1. The lender <b>must also</b> provide the borrower with the following information:	<b>4. When seeking the borrower's consent to the transfer of his mortgage, as described in paragraph 3 above, the lender will provide the borrower with the following information:</b>
a) the name and address of the intended transferee, and of any holding company, if applicable;	- the name and address of the intended transferee, and of any holding company, if applicable;
b) <b>the nature of</b> the relationship, if any, between the lender and the transferee;	- the relationship, if any, between the lender and the transferee;
c) a description of the intended transferee and of its business, including details of how long it has been in operation, and of its experience in the management of mortgages;	- a description of the intended transferee and of its business, including details of how long it has been in operation, and of its experience in the management of mortgages;
d) an explanation of the <b>transferee's</b> policy and procedures which will apply for the setting of the mortgage interest rate and for making repayments if the transfer takes place; and	- an explanation of the policy and procedures which will apply for the setting of the mortgage interest rate and for making repayments if the transfer takes place;
e) confirmation that, in the absence of <b>the borrower's</b> specific consent, the existing arrangements will continue to apply.	- confirmation that in the absence of <b>a</b> specific consent the existing arrangements will continue to apply.

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
2. <b>Where</b> the original lender will service the mortgage as an agent of any transferee, the lender <b>must</b> confirm <b>in writing to the borrower</b> that the transferee's policies for handling arrears and <b>for</b> setting interest rates will be the same as that of the original lender, and that the original lender will handle arrears as its agent.	2. <b>When seeking a consent and where there is to be or where there may be an arrangement under which</b> the original lender will service the mortgage as an agent of any transferee, the lender <b>will</b> confirm that the transferee's policy <b>on the handling of arrears and in the setting of mortgage</b> interest rates will be the same as that of the original lender, and that the original lender will handle arrears as its agent.
3. The lender <b>must advise the borrower if the transfer would result in</b> the lender no longer having control in relation to the setting of interest rates, and/or <b>the handling of</b> arrears.	<b>3. Where the lender in the ordinary course of business would</b> no longer have control in relation to (a) the setting of interest rates, and/or (b) <b>determining the conduct of relations with borrowers whose mortgage payments are seriously in arrears the lender must seek the borrower's consent to a transfer notwithstanding any previous consent which a borrower has given.</b>
<b>4.</b> The terms of the transfer agreement shall require the transferee:	<b>5.</b> The terms of the transfer agreement shall require the transferee –
a) to allow transferred mortgages to be redeemed without charging a redemption fee, unless permitted under Section 6 of the Buildings Societies Act, 1989 or approved under <b>Section 121 of the Consumer Credit Act, 1995;</b>	(a) to allow transferred mortgages to be redeemed without charging a redemption fee, unless permitted under Section 6 of the Buildings Societies Act, 1989 or approved under <b>Section 28 of the Central Bank Act, 1989;</b>
b) to continue any existing mortgage protection insurance arrangements;	(b) to continue any existing mortgage protection insurance arrangements;
c) to allow the borrower to arrange his/ <b>her</b> own <b>property</b> insurance;	(c) to allow the borrower arrange his own <b>house</b> insurance;
d) to adhere to the principles of Section 26 of the Building Societies Act, 1989, ("Sale of mortgaged property"); and	(d) to adhere to the principles of Section 26 of the Building Societies Act, 1989, ("Sale of mortgaged property");
e) to comply with this Code in relation to any future transfer of these mortgages.	(f) to comply with this code <b>of practice</b> in relation to any future transfer of these mortgages.
<b>Not included in new code</b>	<b>(e) to provide to the authorities the mortgage statistics previously provided by the original lender;</b>

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
<b>5.</b> Provisions 1, 2, 3 and 4 do not apply to:	<b>Note: This code of practice does not relate to:</b>
a) a transfer connected with the making of further advances to the borrower;	(i) a transfer connected with the making of further advances to the borrower;
b) a transfer of engagements in whole or in part effected under Part X of the Building Societies Act, 1989;	(ii) a transfer of engagements in whole or in part effected under Part X of the Building Societies Act, 1989;
c) a winding up effected under Part XII of the Building Societies Act, 1989; or	(iii) a winding up effected under Part XII of the Building Societies Act, 1989;
d) a transfer within the same corporate <i>group</i> or a transfer arising from serious business difficulties, where the lender satisfies the Central Bank that, in the circumstances, the application of this Code would not be appropriate and that the transfer is being effected on terms which are just and equitable and which a borrower would be reasonably entitled to expect.	(iv) a transfer within the same corporate group or a transfer arising from serious business difficulties, where the lender satisfies the Central Bank that, in the circumstances, the application of this code would not be appropriate and that the transfer is being effected on terms which are just and equitable and which a borrower would be reasonably entitled to expect.

<b>CHAPTER 8 – Rebates and Claims Processing</b>	
<i>Proposed</i>	<i>Existing</i>
<b>Premium Rebates</b>	
1. A regulated entity must transfer a premium rebate to a consumer within five business days of the rebate becoming due.	<b>Ch.5.30.</b> A regulated entity must transfer a premium rebate to a consumer within 5 business days of the rebate becoming due.
2. An insurance intermediary must transfer a premium rebate to a consumer within five business days after receiving payment of such rebate amount from a regulated entity or being notified by a regulated entity that such premium rebate is due to the consumer, as applicable.	<b>Ch.5.32.</b> An insurance intermediary must transfer a premium rebate to a consumer within 5 business days after receiving payment of such rebate amount from a regulated entity or being notified by a regulated entity that such premium rebate is due to the consumer, as applicable.
3. An insurance intermediary may handle premium rebates due to consumers only where an express agreement exists whereby the insurance intermediary acts as agent of a regulated entity in passing rebates to consumers so that in handling the rebated premium the insurance intermediary does not become a debtor of the consumer.	<b>Ch.5.31.</b> An insurance intermediary may handle premium rebates due to consumers only where an express agreement exists whereby the insurance intermediary acts as agent of a regulated entity in passing rebates to consumers so that in handling the rebated premium the insurance intermediary does not become a debtor of the consumer.
4. An insurance intermediary must transfer the rebate amount to the consumer in full. Any charges that the consumer may owe the intermediary must not be recovered from the rebate amount due to the consumer without the prior written agreement of the consumer <b>in each instance and a record of such agreement must be maintained by the intermediary. Where the consumer has agreed to the deduction of any charges these must be clearly outlined on the accompanying notification of the rebate to the consumer.</b>	<b>Ch.5.33.</b> An insurance intermediary must transfer the rebate amount to the consumer in full. Any charges that the consumer may owe the intermediary must not be recovered from the rebate amount due to the consumer without the prior written agreement of the consumer.
5. Where a premium rebate is due to a consumer, and the value of the rebate is <b>€10 or less</b> , the regulated entity may offer the consumer the choice of: a) Receiving payment of the rebate; or b) Receiving a reduction from a renewal premium or other premium due to that regulated entity; or c) Agreeing that the regulated entity may make a charitable donation of the rebate amount.	<b>New</b>

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
In respect of options b) and c), the regulated entity must maintain a record of the consumer's decision.	<b>New</b>
6. Where an insurance intermediary has issued a rebate cheque to a consumer, and following a reasonable period of time the rebate cheque remains outstanding, the insurance intermediary must issue a reminder to the consumer. If the rebate continues to remain outstanding, the insurance intermediary must either: a) return the rebate to the insurance company; or b) retain the rebate in its client premium account as an amount due to be available for reimbursement should the consumer seek the rebate in the future.	<b>New</b>
7. A regulated entity must not benefit from any balance arising out of a premium rebate which cannot be repaid. Where a charitable donation has been made, the regulated entity must document the donation and retain a receipt from the relevant charity.	<b>New</b>
<b>Claims Processing</b>	
8. A regulated entity must take reasonable steps to verify the validity of a claim before making a decision on its outcome.	<b>Ch.5.14.</b> A regulated entity must take reasonable steps to verify the validity of a claim before making a decision on its outcome.
9. A regulated entity must have in place a written procedure for the effective and proper handling of claims. At a minimum, the procedure must provide that:	<b>Ch.5.15.</b> Each regulated entity must have in place a written procedure for the effective and proper handling of claims. At a minimum, the procedure must provide that:
a) where an accident has occurred and a personal injury has been suffered, a copy of the InjuriesBoard.ie information leaflet (reference no.) is issued to the potential claimant;	a) the potential claimant is provided with information on how to make a claim, including, where applicable, full details of the Personal Injuries Assessment Board process and the manner in which the potential claimant can deal with the Personal Injuries Assessment Board and what the potential claimant's responsibilities are in relation to a claim;
b) where the potential claimant has been involved in a motor accident with an uninsured or unidentified vehicle or with a foreign registered vehicle, the regulated entity must advise the potential claimant to contact the Motor Insurance Bureau of Ireland (MIBI);	<b>New</b>

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
c) where a claim form is required to be completed, it is issued within 5 business days of receiving notice of a claim;	b) where a claim form is required to be completed, it is issued within 5 business days of receiving notice of a claim;
d) the regulated entity must offer to assist in the process of making a claim;	c) the regulated entity must offer to assist in the process of making a claim;
e) details of all conversations with the claimant in relation to the claim are noted;	d) details of all conversations with the claimant in relation to the claim are noted;
f) the regulated entity must, while the claim is ongoing provide the claimant with updates of any developments affecting the outcome of the claim within 10 business days of the development. When additional documentation or clarification is required from the claimant, the claimant must be advised of this at an early stage and, if necessary, <b>issued with a reminder in writing.</b>	e) the regulated entity must, while the claim is ongoing provide the claimant with updates of any developments affecting the outcome of the claim within 10 business days of the development. When additional documentation or clarification is required from the claimant, the claimant <b>must be advised of this at an early stage in writing</b> and, if necessary, issued with a reminder.
10. An insurance intermediary who assists a consumer in <b>making a</b> claim must on receipt of the completed claims documentation, transmit such documentation to the relevant regulated entity without delay.	<b>Ch.5.16.</b> An insurance intermediary who assists a consumer <b>completing a</b> claim must, on receipt of the completed claims documentation, transmit such documentation to the relevant regulated entity without delay.
11. Where a regulated entity engages the services of a loss adjustor and/or expert appraiser <b>it</b> must inform the claimant in writing of the contact details of the loss adjuster and/or expert appraiser it has appointed to assist in the processing of the claim and that such loss adjuster and/or expert appraiser acts in the interest of the regulated entity.	<b>Ch.5.17.</b> Where there is a requirement to engage the services of a loss adjustor and/or expert appraiser the regulated entity must inform the claimant of the contact details of the loss adjuster and/or expert appraiser it has appointed to assist in the processing of the claim and that such loss adjuster and/or expert appraiser acts in the interest of the regulated entity.
12. <b>In the case of motor insurance and property insurance claims, and other claims where relevant,</b> the regulated entity must inform the claimant <b>in writing</b> that the claimant may appoint a loss assessor to act in their interests and that any such appointment shall be at the claimant's expense.	<b>Ch.5.18.</b> The regulated entity must inform the claimant that they may appoint a loss assessor to act in their interests and that any such appointment shall be at the claimant's expense.
13. A regulated entity must be available to confer with the claimant in relation to the claim and to discuss assessment of liability and damages during normal office hours or outside of these hours if agreed with the claimant.	<b>Ch.5.19.</b> A regulated entity must be available to confer with the claimant in relation to the claim and to discuss assessment of liability and damages during normal office hours or outside of these hours if agreed with the claimant.

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
Not included in new code	Note at end of page referring to 'Claims Processing section in general states; 'These provisions do not apply to health insurers where a method of direct settlement is used.'
14. Where a method of direct settlement has been used, a regulated entity must not ask the claimant to certify any restitution work carried out by an expert appointed by the regulated entity.	<b>New</b>
15. A regulated entity must, within 10 business days of making a decision in respect of a claim, advise the claimant in writing of the outcome of the investigation explaining the terms of any offer of settlement. If the claim is denied, the reasons for the denial must be provided to the claimant in writing.	<b>Ch.5.20.</b> A regulated entity must, within 10 business days of the making of a decision in respect of a claim, advise the claimant in writing of the outcome of the investigation explaining the terms of any offer of settlement. If the claim is denied, the reasons for the denial must be provided to the claimant in writing.
16. A regulated entity must ensure that any claim settlement offer made to a claimant is fair and represents the regulated entity's best estimate of the claimant's reasonable entitlement under the policy. An offer must be made in writing and allow the claimant at least 10 business days to accept or reject the offer.	<b>New</b>
17. Where the policyholder will not be the beneficiary of the settlement amount the policyholder must be advised in writing by the regulated entity, <b>at the time that settlement is made</b> , of the final outcome of the claim including any details of the settlement amount paid. Where applicable, the policyholder must be informed that the settlement of the claim will affect future insurance contracts of that type.	<b>Ch.5.21.</b> Where the policyholder will not be the beneficiary of the settlement amount, the policyholder must be advised in writing by the regulated entity of the final outcome of the claim including any details of the settlement amount paid. Where applicable, the policyholder must be informed that the settlement of the claim will affect future insurance contracts of that type.
18. A regulated entity must provide a claimant with written details of any internal appeals mechanisms available to the claimant.	<b>Ch.5.22.</b> A regulated entity must provide a claimant with written details of any internal appeals mechanisms available to the claimant.
19. A regulated entity must pay all claims to the claimant within 10 business days, unless <b>a method of direct settlement is being applied</b> , once the following conditions have been satisfied:	<b>Ch.5.23.</b> A regulated entity must pay all claims to the claimant within 10 business days once the following conditions have been satisfied:
a) the insured event has been proven;	a) the insured event has been proven;
b) all specified documentation has been received by the regulated entity from the claimant;	b) all specified documentation has been received by the regulated entity from the claimant;

<i><b>Proposed</b></i>	<i><b>Existing</b></i>
c) the entitlement of the claimant to receive payment under the policy has been established; and	c) the entitlement of the claimant to receive payment under the policy has been established; and
d) the appropriate amount has been agreed subject to finalisation of legal costs, where applicable.	d) the appropriate amount has been agreed subject to finalisation of legal costs, where applicable.



<b>CHAPTER 9 – Arrears Handling</b>	
<b><i>Proposed</i></b>	<b><i>Existing</i></b>
1. A regulated entity must have in place procedures for the handling of arrears cases.	<b>Ch.4.5.</b> A regulated entity must have in place procedures for the handling of arrears cases.
2. Without prejudice to a regulated entity's regulatory and/or legal obligations and legal rights a regulated entity must: a) give the consumer reasonable time, having regard to the circumstances of the case, to resolve an arrears problem; and b) endeavour to agree an approach that will assist the consumer to resolve an arrears problem.	<b>New</b>
3. Where an account (other than a mortgage account that is subject to the Code of Conduct on Mortgage Arrears) is in arrears, a regulated entity must inform the consumer in writing of the status of the account as soon as it becomes aware of the arrears. This information must include the following:	<b>Ch.4.11.</b> Where the mortgage account is in arrears, the regulated entity must inform the consumer in writing of the status of the account as soon as possible after it becomes aware of the arrears. This information must include:
a) the date the account fell into arrears;	a) the date the mortgage fell into arrears;
b) the number and total amount of payments (including partial payments) missed;	b) the number and total of payments missed;
c) the amount of the arrears to date;	c) the amount of the arrears interest charged to date;
d) the interest rate applicable to the arrears;	d) the interest rate applicable to the arrears, and
e) details of any charges in relation to the arrears that may be applied;	details of other fees and charges used to calculate the arrears interest amount.
f) the importance of the consumer engaging with the regulated entity in order to address the situation; g) relevant contact points; h) the consequences of continued non-payment, including any possible impact of the default on other accounts held by the consumer with that regulated entity, if relevant; and i) the contact details of the consumer's nearest Money Advice and Budgeting Service (MABS) office and a statement to the effect that the involvement of MABS could help the consumer if they are experiencing financial difficulty.	<b>New</b>

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
4. Where the arrears situation persists, an updated version of this information must be provided to the consumer on a monthly basis.	<b>New</b>
5. Where a consumer has purchased payment protection insurance (PPI) in relation to that loan from the lender, it must advise the consumer in writing of the following: a) that the consumer has purchased PPI; b) the circumstances under which a claim can be made; c) the consumer's policy number; and d) the procedure for making a claim under the policy.	<b>New</b>
6. In respect of a mortgage (other than a mortgage account that is subject to the Code of Conduct on Mortgage Arrears), where a third full or partial repayment is missed and remains outstanding and, where an approach to resolving the arrears situation has not been agreed, a regulated entity must advise the consumer, in writing, of the following: a) the potential for legal proceedings and loss of the property, together with an estimate of the costs to the consumer of such proceedings; and b) that irrespective of how the property is repossessed and disposed of, the consumer will remain liable for the outstanding debt, including accrued interest, charges, legal, selling and other related costs, if this is the case.	<b>New</b>
7. Where a regulated entity reaches an agreement on a revised repayment amount or revised repayment schedule with a consumer, the full terms of the agreement must be confirmed with the consumer in writing.	<b>New</b>
8. Where a consumer makes an offer of a revised repayment amount or schedule that is rejected by the regulated entity, the regulated entity must formally document its reasons for rejecting the offer, and this must be communicated to the consumer in writing.	<b>New</b>

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
<p>9. A lender must have a dedicated section on its website for consumers in or concerned about financial difficulties which must include:</p> <p>a) information on the level of charges to be imposed on borrowers in arrears; and</p> <p>b) a link to the MABS website.</p> <p>The information on the website must be easily accessible from a prominent link on the homepage.</p>	<b>New</b>
<p>10. A regulated entity must give a consumer three months notice in writing where it intends to offset any credit balances in other accounts held by the consumer with that regulated entity, against any arrears outstanding.</p>	<b>New</b>
<p>11. Where a consumer is in arrears but continues to operate other account(s) held with the regulated entity, within the agreed terms and conditions, the lender must not close such accounts.</p>	<b>New</b>
<p>12. Where a consumer is in arrears in respect of an overdraft facility on a current account, but is otherwise operating within the terms and conditions, the credit institution must not close the consumer's current account without the consumer's consent.</p>	<b>New</b>
<p>13. Where a consumer has not engaged or cooperated with the regulated entity and the regulated entity intends to place restrictions on the operation of the account in arrears, the consumer must be provided with a minimum of three months notice of this in writing.</p>	<b>New</b>
<p>14. A regulated entity must inform the consumer, in writing, when it intends to appoint a third party, other than its legal advisers, to engage with the consumer in relation to arrears and must explain the role of the third party.</p>	<b>New</b>
<p>15. A regulated entity must ensure that the level of contact and communications from the regulated entity, or any third party acting on its behalf, with a consumer in arrears, is proportionate and not excessive.</p>	<b>New</b>

<i><b>Proposed</b></i>	<i><b>Existing</b></i>
16. Each calendar month, a regulated entity, and/or any third party acting on its behalf, may not initiate more than three unsolicited communications, by whatever means, to a consumer in respect of an arrears situation. The three unsolicited communications do not include any communications to the consumer which are required by this Code.	<b>New</b>

<b>CHAPTER 10 – Advertising</b>	
<i>Proposed</i>	<i>Existing</i>
<b>General requirements</b>	
1. A regulated entity must ensure that all its advertisements are fair and not misleading.	<b>Ch.7.1.</b> A regulated entity must ensure that all its advertisements are fair and not misleading.
2. An advertisement must not influence a consumer's attitude to the advertised product or service or the regulated entity either by inaccuracy, ambiguity, exaggeration or omission.	<b>Ch.7.2.</b> An advertisement must not influence a consumer's attitude to the advertised product or service or the regulated entity either by inaccuracy, ambiguity, exaggeration or omission.
3. The name of the regulated entity publishing an advertisement must be clearly shown in all advertisements.	<b>Ch.7.3.</b> The name of the regulated entity publishing an advertisement must be clearly shown in all advertisements.
4. The nature or type of the advertised product or service must be clear and not disguised in any way.	<b>Ch.7.4.</b> The nature or type of the advertised product or service must be clear and not disguised in any way.
5. An advertisement must be designed and presented so that any reasonable consumer knows immediately that it is an advertisement.	<b>Ch.7.5.</b> An advertisement must be designed and presented so that any reasonable consumer knows immediately that it is an advertisement.
6. The design and presentation of an advertisement must allow it to be clearly understood and <b>key information in relation to the product must be included in the advertisement. Small print or footnotes should only be used where appropriate</b> and should be linked to the relevant part of the main copy. Where small print or footnotes are used, they should be of sufficient size and prominence to be clearly legible.	<b>Ch.7.6.</b> The design and presentation of an advertisement must allow it to be clearly understood. <b>Where</b> small print or footnotes are used, they should be of sufficient size and prominence to be clearly legible. Where appropriate they should be linked to the relevant part of the main copy.
7. Warnings and product specific information must be clear and must not be obscured or disguised in any way by the content, design or format of the advertisement.	<b>Ch.7.7.</b> Warnings and product specific information must be clear and must not be obscured or disguised in any way by the content, design or format of the advertisement.
8. An advertisement that uses promotional or introductory rates must clearly state the expiry date of that rate and provide an indication of the rate that will apply thereafter.	<b>Ch.7.8.</b> An advertisement that uses promotional or introductory rates must clearly state the expiry date of that rate and provide an indication of the rate that will apply thereafter. <b>This requirement does not apply to advertisements for loans where the promotional rate is for a period that does not exceed 1 year.</b>
9. Any statement or promise contained in an advertisement must be true and not misleading at the time it is made. Any assumptions on which <b>the statement</b> is based must be reasonable, <b>up to date</b> and stated clearly.	<b>Ch.7.9.</b> Any statement or promise contained in an advertisement must be true and not misleading at the time it is made and any assumptions on which it is based must be reasonable and stated clearly.

<b>Proposed</b>	<b>Existing</b>
10. Any forecast contained in an advertisement must not be misleading at the time it is made and any assumptions on which it is based must be reasonable and stated clearly.	<b>Ch.7.10.</b> Any forecast contained in an advertisement must not be misleading at the time it is made and any assumptions on which it is based must be reasonable and stated clearly.
11. An advertisement must not be misleading in relation to: a) the regulated entity's independence or the independence of the information it provides; b) the regulated entity's ability to provide the advertised product or service; c) the scale of the regulated entity's activities; d) the extent of the resources of the regulated entity; e) the nature of the regulated entity's or any other person's involvement in the advertised product or service; f) the scarcity of the advertised product or service; g) past performance or possible future performance of the advertised product or service.	<b>Ch.7.11.</b> An advertisement must not be misleading in relation to: a) the regulated entity's independence or the independence of the information it provides; b) the regulated entity's ability to provide the advertised product or service; c) the scale of the regulated entity's activities; d) the extent of the resources of the regulated entity; e) the nature of the regulated entity's or any other person's involvement in the advertised product or service; f) the scarcity of the advertised product or service; g) past performance or possible future performance of the advertised product or service.
12. An advertisement that promotes more than one product must set out clearly the different features of each product in such a way that a consumer could distinguish between the products.	<b>Ch.7.12.</b> An advertisement that promotes more than one product must set out clearly the different features of each product in such a way that a consumer could distinguish between the products.
13. Any recommendations or commendations quoted must be complete, fair, accurate and not misleading at the time of issue, and relevant to the advertised product or service.	<b>Ch.7.13.</b> Any recommendations or commendations quoted must be complete, fair, accurate and not misleading at the time of issue, and relevant to the advertised product or service.
14. A recommendation or commendation may not be used without the consent of the author and, if the author is an employee of the regulated entity or a connected party of the regulated entity, or has received any payment from the regulated entity or a connected party of the regulated entity for the recommendation or commendation, the advertisement must state that fact.	<b>Ch.7.14.</b> A recommendation or commendation may not be used without the consent of the author and, if the author is an employee of the regulated entity or a connected party of the regulated entity, or has received any payment from the regulated entity or a connected party of the regulated entity for the recommendation or commendation, the advertisement must state that fact.

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
15. Comparisons or contrasts must be based either on facts verified by the regulated entity, or on reasonable assumptions stated within the advertisement and must be presented in a fair and balanced way; and not omit anything material to the comparison or contrast. Material differences between the products must be set out clearly.	<b>Ch.7.15.</b> Comparisons or contrasts must be based either on facts verified by the regulated entity, or on reasonable assumptions stated within the advertisement and must be presented in a fair and balanced way; and not omit anything material to the comparison or contrast. Material differences between the products must be set out clearly.
16 It is not necessary to display the required warnings set out in this chapter if the advertisement does not refer to <b>the features or</b> benefits of a product <b>or service</b> but only <b>names the product or service and</b> invites a consumer to discuss the product or service in more detail with the regulated entity.	<b>Ch.7.16.</b> It is not necessary to display the required warnings set out in this chapter if the advertisement does not refer to the benefits of a product but only invites a consumer to discuss the product or service in more detail with the regulated entity.
17. Where an advertisement contains an acronym ( <b>AER, EAR, CAR, APR etc.</b> ), a clear and understandable definition for such acronym(s) must also be included in the advertisement.	<b>New</b>
18. Any statements in an advertisement relating to minimum price or potential maximum savings must be available to at least 50% of the regulated entity's target market for that product.	<b>New</b>
<b>Lending</b>	
19. Where an advertisement includes an annual percentage rate, the advertisement must clearly state if the underlying interest rate is fixed or variable. <b>In the case of fixed interest rate, the term of the fixed rate must be displayed and, where relevant, an indication of the rate that will apply thereafter.</b>	<b>Ch.7.17.</b> Where an advertisement includes an annual percentage rate, the advertisement must clearly state if the underlying interest rate is fixed or variable.
20. An advertisement for a term loan must, if displaying the annual percentage rate and the term, display the total cost of credit. <b>A term loan is a fixed-period loan, usually for one to 10 years but does not include the provision of loans for mortgage credit.</b>	<b>Ch.7.18.</b> An advertisement for a term loan must, if displaying the annual percentage rate and the term, display the total cost of credit.
21. Advertisements for a fixed-rate loan must, where applicable, state: <b>Warning: You may have to pay charges if you pay off a fixed-rate loan early.</b>	<b>Ch.7.19.</b> Advertisements for a fixed-rate loan must, where applicable, state: <b>Warning: You may have to pay charges if you pay off a fixed-rate loan early.</b>

<i>Proposed</i>	<i>Existing</i>
<p>22. An advertisement for personal lending must contain the following warning:  <b>Warning: If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating.</b></p>	<p><b>Ch.4.9.</b> Prior to a loan being approved, a regulated entity must explain to a consumer the effect, if any, of missing any of the scheduled repayments. This information must be highlighted in any relevant documentation and the following notice should also appear:  <b>Warning: If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating.</b></p>
<p>23. Advertisements for the consolidation of two or more debts must, where sample figures are offered in the <i>advertisement</i>, indicate the difference between the total cost of credit of the consolidated mortgage and the total cost of credit of the individual debts that are the subject of consolidation.</p>	<p><b>Ch.7.20.</b> Advertisements for the consolidation of two or more debts must, where sample figures are offered in the advertisement, indicate the difference between the total cost of credit of the consolidated mortgage and the total cost of credit of the individual debts that are the subject of consolidation.</p>
<p>24. An advertisement for a debt consolidation mortgage must carry the following warning:  <b>Warning: This new loan may take longer to pay off than your previous loans. This means you may pay more than if you paid over a shorter term.</b></p>	<p><b>Ch.7.21.</b> An advertisement for a debt consolidation mortgage must carry the following warning:  <b>Warning: This new loan may take longer to pay off than your previous loans. This means you may pay more than if you paid over a shorter term.</b></p>
<p>25. An advertisement for a variable-rate residential mortgage must contain the following warning:  <b>Warning: The cost of your monthly repayments may increase – If you do not keep up your repayments you may lose your home.</b></p>	<p><b>Ch.7.22.</b> An advertisement for a variable-rate residential mortgage must contain the following warning:  <b>Warning: The cost of your monthly repayments may increase – If you do not keep up your repayments you may lose your home.</b></p>
<p>26. An advertisement must not describe a product or service as free where only a proportion of the charges for the service or product are free of charge.</p>	<p><b>Ch.7.24.</b> Where a free banking period is advertised, the period for which the free banking applies should be clearly stated.</p>
<p>27. a) An advertisement for an interest-only mortgage must contain the following warning:  <b>Warning: The entire amount that you have borrowed will still be outstanding at the end of the interest-only period.</b></p>	<p><b>Ch.7.25.</b> An advertisement for an interest-only mortgage must contain the following warning:  <b>Warning: The entire amount that you have borrowed will still be outstanding at the end of the interest-only period.</b></p>



<i><b>Proposed</b></i>	<i><b>Existing</b></i>
<p>b) <b>An advertisement</b> for an lifetime mortgage <b>or home reversion agreement</b> must <b>contain</b> the following warning:</p> <p><b>Warning: Purchasing this product may negatively impact on your ability to fund future needs.</b></p>	<p><b>Ch.4.18.</b> A regulated entity must <b>include</b> the following warning on any <b>information document, application form or any other document given to the consumer in connection with a lifetime mortgage:</b></p> <p><b>Warning: Purchasing this product may negatively impact on your ability to fund future needs.</b></p>
<p>Not included in new code</p>	<p><b>Ch.7.23.</b> An advertisement that offers goods on hire purchase must contain the following warning:</p> <p><b>Warning: You will not own these goods until the final payment is made.</b></p>
<b>Savings and Investments</b>	
<p>28. Where an interest rate for a savings or deposit account is displayed in an advertisement, it must clearly state the following:</p>	<p><b>Ch.7.26.</b> Where an interest rate for a savings or deposit account is displayed in an advertisement, it must clearly state the following:</p>
<p>a) whether the rate quoted is variable or fixed, and if fixed, for what period <b>and, where relevant, an indication of the rate that will apply thereafter;</b></p>	<p>a) whether the rate quoted is variable or fixed, and if fixed, for what period;</p>
<p>b) the relevant interest rate for each term quoted together with the <b>annual equivalent rate</b>, and each rate should be of equal size and prominence;</p>	<p>b) the relevant interest rate for each term quoted together with the <b>equivalent annual rate</b> for each rate quoted, and each rate should be given equal prominence;</p>
<p>c) the minimum term and/or minimum amount required to qualify for a specified rate of interest, if applicable; and</p>	<p>c) the minimum term and/or minimum amount required to qualify for a specified rate of interest, if applicable; and</p>
<p>d) if any tax is payable on the interest earned.</p>	<p>d) if any tax is payable on the interest earned.</p>
<p><b>29. An advertisement for a product where the promised return is known but is less than the initial 100% invested must contain the following warning:</b></p> <p><b>Warning: If you invest in this product you could lose xx% of the money you put in.</b></p>	<p><b>New</b></p>

<i><b>Proposed</b></i>	<i><b>Existing</b></i>
<p>30. An advertisement for a product where the promised 'return of capital' is only applicable on a specific date, must contain the following warning:</p> <p><b>Warning: If you cash in your investment before (specify the particular date) you may lose some or all of the money you put in.</b></p>	<p><b>New</b></p>
<p>31. An advertisement for a product where there is no access to funds for the term of the product must contain the following warning:</p> <p><b>Warning: If you invest in this product you will not have any access to your money for (insert time required before the product matures).</b></p>	<p><b>New</b></p>
<p>32 Information about the past performance of the advertised product or service or of the regulated entity must:</p> <ul style="list-style-type: none"> <li>a) be based on a product similar to that being advertised;</li> <li>b) not be selected so as to exaggerate the success or disguise the lack of success of the advertised product or service;</li> <li>c) state the source of the information;</li> <li>d) be based on actual performance;</li> <li>e) state clearly the period chosen, which must be related to the term of the product being advertised; where that term is open-ended, the longest term available should be included;</li> <li>f) include the most recent period;</li> <li>g) indicate, where they arise, details of transaction costs, interest and taxation that have been taken into account; and</li> <li>h) state, where applicable, the basis upon which performance is quoted.</li> </ul>	<p><b>Ch.7.27.</b> Information about the past performance of the advertised product or service or of the regulated entity must:</p> <ul style="list-style-type: none"> <li>a) be based on a product similar to that being advertised;</li> <li>b) not be selected so as to exaggerate the success or disguise the lack of success of the advertised product or service;</li> <li>c) state the source of the information;</li> <li>d) be based on actual performance;</li> <li>e) state clearly the period chosen, which must be related to the term of the product being advertised; where that term is open-ended, the longest term available should be included;</li> <li>f) include the most recent period;</li> <li>g) indicate, where they arise, details of transaction costs, interest and taxation that have been taken into account; and</li> <li>h) state, where applicable, the basis upon which performance is quoted.</li> </ul>
<p>33 An advertisement which contains information on past performance must contain the following warning:</p> <p><b>Warning: Past performance is not a reliable guide to future performance.</b></p>	<p><b>Ch.7.28.</b> An advertisement which contains information on past performance must contain the following warning:</p> <p><b>Warning: Past performance is not a reliable guide to future performance.</b></p>

<i><b>Proposed</b></i>	<i><b>Existing</b></i>
34 Where the regulated entity has a position or holding in the product the subject of an advertisement by that regulated entity it must include a statement to this effect in the advertisement.	<b>Ch.7.29.</b> Where the regulated entity has a position or holding in the product the subject of an advertisement by that regulated entity it must include a statement to this effect in the advertisement.
35 Information about the simulated performance of the advertised product or service or of a regulated entity must: a) be based on a simulated performance that is relevant to the performance of the advertised product or service or of the regulated entity; b) not be selected so as to exaggerate the success or disguise the lack of success of the advertised product or service or of the regulated entity; c) state the source; and d) indicate whether, and to what extent transaction costs, interest and taxation have been taken into account.	<b>Ch.7.30.</b> Information about the simulated performance of the advertised product or service or of a regulated entity must: a) be based on a simulated performance that is relevant to the performance of the advertised product or service or of the regulated entity; b) not be selected so as to exaggerate the success or disguise the lack of success of the advertised product or service or of the regulated entity; c) state the source; and d) indicate whether, and to what extent transaction costs, interest and taxation have been taken into account.
36 An advertisement which contains information on simulated performance must also contain the following warning : <b>Warning: These figures are estimates only. They are not a reliable guide to the future performance of this investment.</b>	<b>Ch.7.31.</b> An advertisement which contains information on simulated performance must also contain the following warning : <b>Warning: These figures are estimates only. They are not a reliable guide to the future performance of this investment.</b>
37 Where an advertisement <b>describes</b> a product as “guaranteed”, the advertisement <b>must also clearly state the level, nature and extent of limitations of the guarantee and the name of the guarantor.</b>	<b>Ch.7.32.</b> An advertisement <b>must not</b> describe a product <b>or an investment</b> as guaranteed or partially guaranteed unless: a) there is a legally enforceable agreement with a third party who undertakes to meet, to whatever extent is stated in the advertisement, the consumer’s claim under the guarantee; b) the regulated entity has made, and can demonstrate that it has made, an assessment of the value of the guarantee; c) the advertisement gives details about both the guarantor and guarantee sufficient for a consumer to make a fair assessment about the value of the guarantee; and d) where it is the case, the advertisement states that the guarantee is from a connected party of the regulated entity.

<i><b>Proposed</b></i>	<i><b>Existing</b></i>
38 If an advertisement contains a reference to the impact of taxation, it must:	<b>Ch.7.33.</b> If an advertisement contains a reference to the impact of taxation, it must:
a) state the assumed rate of taxation;	a) state the assumed rate of taxation;
b) state, where applicable, that the tax reliefs are those currently applying, and state that the value of the tax reliefs referred to in the advertisement apply directly to the consumer, to the provider of the advertised product or service or its provider, as appropriate;	b) state, where applicable, that the tax reliefs are those currently applying, and state that the value of the tax reliefs referred to in the advertisement apply directly to the consumer, to the provider of the advertised product or service or its provider, as appropriate;
c) state, where applicable, that the matters referred to are only relevant to a particular class or classes of consumer with particular tax liabilities, identifying the class or classes of consumer and the type of liabilities concerned;	c) state, where applicable, that the matters referred to are only relevant to a particular class or classes of consumer with particular tax liabilities, identifying the class or classes of consumer and the type of liabilities concerned;
d) state who has the responsibility for obtaining the tax benefits advertised;	d) state who has the responsibility for obtaining the tax benefits advertised;
e) not describe the advertised product or service as being free from any liability to income tax unless equal prominence is given to a statement, where applicable, that the income is payable from a product from which income tax has already been paid; and	e) not describe the advertised product or service as being free from any liability to income tax unless equal prominence is given to a statement, where applicable, that the income is payable from a product from which income tax has already been paid; and
f) not describe the advertised product or service as being free from any liability to capital taxation unless equal prominence is given to a statement, where applicable, that the value of the advertised product or service is linked to a product which is liable to capital taxation.	f) not describe the advertised product or service as being free from any liability to capital taxation unless equal prominence is given to a statement, where applicable, that the value of the advertised product or service is linked to a product which is liable to capital taxation.
39 Where the product that is the subject of the advertisement can fluctuate in price or value, an advertisement must contain the following warning: <b>Warning: The value of your investment may go down as well as up. You may get back less than you put in.</b>	<b>Ch.7.34.</b> Where the product that is the subject of the advertisement can fluctuate in price or value, an advertisement must contain the following warning: <b>Warning: The value of your investment may go down as well as up.</b>
40 Where the return on an advertised product or service is not set until a particular date (for example, the maturity date of the advertised product or service), this must be clearly stated.	<b>Ch.7.35.</b> Where the return on an advertised product or service is not set until a particular date (for example, the maturity date of the advertised product or service), this must be clearly stated.

<i><b>Proposed</b></i>	<i><b>Existing</b></i>
41 Where a product the subject of an advertisement is described as being likely to yield income or as being suitable for a consumer particularly seeking income and where the income from such product can fluctuate, the advertisement must contain the following warning: <b>Warning: The income you get from this investment may go down as well as up.</b>	<b>Ch.7.36.</b> Where a product the subject of an advertisement is described as being likely to yield income or as being suitable for a consumer particularly seeking income and where the income from such product can fluctuate, the advertisement must contain the following warning: <b>Warning: The income you get from this investment may go down as well as up.</b>
42 Where a product the subject of an advertisement offers the facility of a planned withdrawal from capital as an income equivalent, a regulated entity must ensure that the effect of such a withdrawal upon such product is clearly explained in the advertisement.	<b>Ch.7.37.</b> Where a product the subject of an advertisement offers the facility of a planned withdrawal from capital as an income equivalent, a regulated entity must ensure that the effect of such a withdrawal upon such product is clearly explained in the advertisement.
43 Where an advertised product or service is denominated or priced in a foreign currency, or where the value of an advertised product or service may be directly affected by changes in foreign exchange rates, the advertisement must contain the following warning: <b>Warning: This [product/service] may be affected by changes in currency exchange rates.</b>	<b>Ch.7.38.</b> Where an advertised product or service is denominated or priced in a foreign currency, or where the value of an advertised product or service may be directly affected by changes in foreign exchange rates, the advertisement must contain the following warning: <b>Warning: This [product/service] may be affected by changes in currency exchange rates.</b>
44 An advertisement for a product which is not readily realisable must state that it may be difficult for consumers to sell or exit the product and/or obtain reliable information about its value or extent of the risks to which it is exposed.	<b>Ch.7.39.</b> An advertisement for a product which is not readily realisable must state that it may be difficult for consumers to sell or exit the product and/or obtain reliable information about its value or extent of the risks to which it is exposed.
45 An advertisement for a product that cannot be encashed prior to maturity or which incurs an early redemption charge must clearly state that this is the case.	<b>Ch.7.40.</b> An advertisement for a product that cannot be encashed prior to maturity or which incurs an early redemption charge must clearly state that this is the case.
46 An advertisement for a product subject to front-end loading must state that:	<b>Ch.7.41.</b> An advertisement for a product subject to front-end loading must state that:
a) deductions for charges and expenses are not made uniformly throughout the life of the product, but are loaded disproportionately onto the early period, and	a) deductions for charges and expenses are not made uniformly throughout the life of the product, but are loaded disproportionately onto the early period, and
b) the consumer must be warned that, if the consumer withdraws from the product in the early period, the practice of front-end loading will impact on the amount of money which the consumer receives, and	b) the consumer must be warned that, if the consumer withdraws from the product in the early period, the practice of front-end loading will impact on the amount of money which the consumer receives, and

<i><b>Proposed</b></i>	<i><b>Existing</b></i>
c) if applicable, that a <i><b>consumer</b></i> may not get back the amount they invest.	c) if applicable, that a <i><b>consumer</b></i> may not get back the amount they invest.

CHAPTER 11 – Errors and Complaints	
Errors	
1. A <b>regulated entity</b> must review, monitor and test its internal control systems on a regular basis in order to provide reasonable assurance that the potential for errors is minimised and that any errors can be readily identified.	New
2. A <b>regulated entity</b> must have procedures in place for the effective handling of errors, which must include procedures for the: a) the identification of all affected parties; b) appropriate analysis of patterns of errors; c) proper control of the correction process; and d) escalation of errors to compliance/risk units and senior management.	New
3. A <b>regulated entity</b> must speedily, efficiently and fairly, correct an error that has resulted or may result in <b>consumer</b> detriment. All such errors must be fully resolved within six months of the date the error was first discovered, including:	<b>Ch.2.45.</b> A regulated entity must: a) speedily, efficiently and fairly, correct an error in any charge or price levied on, or quoted to, a consumer in respect of any product or service the subject of this Code;
a) correcting any systems failures;	New
b) making all reasonable efforts to effect a refund (with appropriate interest) to all <b>consumers</b> who have been affected by any error; and	New
c) notifying all affected <b>consumers</b> , both current and former, in a timely manner, of any error that has impacted or may impact negatively on the cost of the service, or the value of the product, provided.	c) notify all affected consumers, both current and former, in a timely manner and in such form as may be agreed with the Financial Regulator, of any material charging or pricing error that impacted negatively on the cost of the service or the value of the product provided.
5. A <b>regulated entity</b> must inform the Central Bank, in writing, of any errors that have resulted or may result in <b>consumer</b> detriment that have not been resolved in accordance with provision 3 or are not likely to be resolved within one month.	b) where the regulated entity considers that there may have been a material charging or pricing error, without delay, inform the Financial Regulator of its proposals for correcting any such error as may have occurred in accordance with paragraph a) above (if any such information is provided verbally in the first instance, it must be provided to the Financial Regulator in writing on the next business day); and

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
6. A <b>regulated entity</b> must maintain a log of all errors identified. This log must contain: a) details of the error; b) how it was discovered; c) the period over which the error occurred; d) the number of <b>consumers</b> affected; e) the monetary amounts involved; f) the status of the error; g) the number of <b>consumers</b> refunded; and h) the total amount refunded.	<b>New</b>
7. A <b>regulated entity</b> must maintain a <b>record</b> of all steps taken to resolve an error, including details of the steps taken where: a) any affected <b>consumers</b> were dissatisfied with the outcome; b) there were difficulties contacting affected <b>consumers</b> ; and c) a refund could not be repaid.	<b>New</b>
<b>Handling Complaints</b>	
8. A <b>regulated entity</b> must take all reasonable steps to seek to resolve any <b>complaints</b> with <b>consumers</b> .	<b>New</b>
9. When a regulated entity receives a verbal complaint, it must offer the consumer the opportunity to have the complaint treated as a written complaint.	<b>Ch.2.47.</b> When a regulated entity receives a verbal complaint, it must offer the consumer the opportunity to have the complaint treated as a written complaint.
10. A regulated entity must have in place a written procedure for the proper handling of complaints. This procedure need not apply where the complaint has been resolved to the complainant's satisfaction within five business days, provided however that a record of this fact is maintained. At a minimum this procedure must provide that:	<b>Ch.2.46.</b> A regulated entity must have in place a written procedure for the proper handling of complaints. This procedure need not apply where the complaint has been resolved to the complainant's satisfaction within 5 business days, provided however that a record of this fact is maintained. At a minimum this procedure must provide that:
a) the regulated entity must acknowledge each complaint in writing within five business days of the complaint being received;	a) the regulated entity must acknowledge each complaint in writing within 5 business days of the complaint being received;
b) the regulated entity <b>must</b> provide the complainant with the name one or more individuals appointed by the regulated entity to be the complainant's point of contact in relation to the complaint until the complaint is resolved or cannot be processed any further;	b) the regulated entity <b>will</b> provide the complainant with the name one or more individuals appointed by the regulated entity to be the complainant's point of contact in relation to the complaint until the complaint is resolved or cannot be processed any further;



<b><i>Proposed</i></b>	<b><i>Existing</i></b>
c) the regulated entity <b>must</b> provide the complainant with a regular written update on the progress of the investigation of the complaint at intervals of not greater than 20 business days;	c) the regulated entity <b>will</b> provide the complainant with a regular written update on the progress of the investigation of the complaint at intervals of not greater than 20 business days
d) the regulated entity <b>must</b> attempt to investigate and resolve a complaint within 40 business days of having received the complaint; where the 40 business days have elapsed and the complaint is not resolved, the regulated entity will inform the complainant of the anticipated timeframe within which the regulated entity hopes to resolve the complaint and of the consumer's right to refer the matter to the Financial Services Ombudsman or the Pensions Ombudsman, and will provide the consumer with the contact details of such Ombudsman; and	d) the regulated entity <b>will</b> attempt to investigate and resolve a complaint within 40 business days of having received the complaint; where the 40 business days have elapsed and the complaint is not resolved, the regulated entity will inform the complainant of the anticipated timeframe within which the regulated entity hopes to resolve the complaint and of the consumer's right to refer the matter to the Financial Services Ombudsman or the Pensions Ombudsman, where relevant, and will provide the consumer with the contact details of such Ombudsman; and
e) within five business days of the completion of the investigation, the regulated entity <b>must</b> advise the complaint in writing of:	e) the regulated entity <b>will</b> advise the complainant in writing, within 5 business days of the completion of the investigation of a complaint,
i) the outcome of the investigation;	e) of the outcome of the investigation and,
ii) where applicable, the terms of any offer or settlement being made;	e) where applicable, <b>explain</b> the terms of any offer or settlement being made.
iii) the right to refer the matter to the Financial Services Ombudsman or the Pensions Ombudsman, and	<b>e) The regulated entity will also inform the complainant of the right to refer the matter to the Financial Services Ombudsman or the Pensions Ombudsman, where relevant, and</b>
iv) the contact details of such Ombudsman.	<b>e)will provide the consumer with the contact details of such Ombudsman.</b>
11. A regulated entity must maintain an up-to-date record of all complaints subject to the complaints procedure. This record must contain the details of each complaint, a record of the regulated entity's response(s), any other relevant correspondence or records and the action taken to resolve each complaint.	<b>Ch.2.48.</b> A regulated entity must maintain an up-to-date record of all complaints subject to the complaints procedure. This record must contain the details of each complaint, a record of the regulated entity's response(s), any other relevant correspondence or records and the action taken to resolve each complaint.

<b>CHAPTER 12 –Records and Compliance</b>	
<i>Proposed</i>	<i>Existing</i>
<b>Records</b>	
1. Where there is a verbal interaction with the consumer to assist the consumer in understanding the product or service on offer, a regulated entity must keep a contemporaneous record of the detail of such verbal interaction.	<b>New</b>
2. A regulated entity must ensure that all instructions from or on behalf of a consumer are properly documented. The date of both the receipt and transmission of the following must be recorded:	<b>Ch.6.5.</b> A regulated entity must record and retain in a readily accessible form, the date of both receipt and transmission of any of the following:
a) an instruction to the regulated entity from a consumer to effect a transaction; or	a) an instruction to the regulated entity from a consumer to effect an investment product transaction as agent; or
b) any other instruction to the regulated entity from a consumer to effect a transaction in similar circumstances as those arising on an instruction to effect a transaction; or	b) any other instruction to the regulated entity from a consumer to effect an investment product transaction in similar circumstances as those arising on an instruction to effect an investment product transaction as an agent; or
c) a decision by the regulated entity in the exercise of its discretion for the consumer with respect to a transaction.	c) a decision by the regulated entity in the exercise of its discretion for the consumer with respect to an investment product.
3. A regulated entity must ensure that, where it accepts an instruction from a consumer that is subject to any condition imposed by the consumer, it maintains a record of the condition to which the instruction is subject.	<b>Ch.2.3.</b> A regulated entity must ensure that, where it accepts an instruction from a consumer that is subject to any condition imposed by the consumer, it maintains a record of the condition to which the instruction is subject.
4. A regulated entity must maintain a list of its customers who are consumers as defined by this Code.	<b>Ch.2.29.</b> A regulated entity must maintain a list of its customers who are consumers and the subject of this Code.
5. A regulated entity must maintain up-to-date records containing at least the following:	<b>Ch.2.49.</b> A regulated entity must maintain up-to-date consumer records containing at least the following:
a) a copy of all documents required for consumer identification and profile;	a) a copy of all documents required for consumer identification and profile;
b) the consumer's contact details;	b) the consumer's contact details;
c) all information and documents prepared in compliance with this Code;	c) all information and documents prepared in compliance with this Code;
d) details of products and services provided to the consumer;	d) details of products and services provided to the consumer;
e) all correspondence with the consumer and details of any other information provided to the consumer in relation to the product or service;	e) all correspondence with the consumer and details of any other information provided to the consumer in relation to the product or service;

<b><i>Proposed</i></b>	<b><i>Existing</i></b>
f) all documents or applications completed or signed by the consumer;	f) all documents or applications completed or signed by the consumer;
g) copies of all original documents submitted by the consumer in support of an application for the provision of a service or product; and	g) copies of all original documents submitted by the consumer in support of an application for the provision of a service or product; and
h) all other relevant information concerning the consumer.	h) all other relevant information concerning the consumer.
6. Details of individual transactions must be retained for six years after the date of the transaction. All other records must be retained for six years from the date the relationship ends.	<b>Ch.2.49.</b> Details of individual transactions must be retained for 6 years after the date of the transaction. All other records <b>required under a) to h), above</b> , must be retained for 6 years from the date the relationship ends.
7. Records are not required to be kept in a single location but must be complete and readily accessible.	<b>Ch.2.49. Consumer</b> records are not required to be kept in a single location but must be complete and readily accessible.
<b>COMPLIANCE WITH THIS CODE</b>	
8. Where the Central Bank requires a regulated entity to provide information in respect of the regulated entity's compliance with this Code, such regulated entity is thereby required to provide information which is full, fair and accurate in all respects and not misleading and to do so in any reasonable period of time or format that may be specified by the Central Bank.	<b>Ch.2.58.</b> Where the Financial Regulator requires a regulated entity to provide information in respect of the regulated entity's compliance with this Code, such regulated entity is thereby required to provide information which is full, fair and accurate in all respects and not misleading and to do so in any reasonable period of time or format that may be specified by the Financial Regulator.
9. Where the Central Bank requires information in respect of a regulated entity's compliance with this Code, and the Central Bank is of the opinion that a meeting with personnel of the regulated entity is necessary in order to procure such information in a satisfactory manner, the regulated entity must arrange for appropriate personnel to participate in such a meeting in order to provide the required information to the Central Bank.	<b>Ch.2.59.</b> Where the Financial Regulator requires information in respect of a regulated entity's compliance with this Code, and the Financial Regulator is of the opinion that a meeting with personnel of the regulated entity is necessary in order to procure such information in a satisfactory manner, the regulated entity must use its best endeavours to arrange for appropriate personnel to participate in such a meeting in order to provide the required information to the Financial Regulator.
10. A regulated entity must, upon being required by the Central Bank to do so, provide to the Central Bank records evidencing compliance with this Code for a period prior to such requirement as the Central Bank may specify (up to a maximum period of six years).	<b>Ch.2.60.</b> A regulated entity must, upon being required by the Financial Regulator to do so, provide to the Financial Regulator records evidencing compliance with this Code for a period prior to such requirement as the Financial Regulator may specify (up to a maximum period of 6 years).
<b>Not included in new code</b>	<b>Ch.2.57.</b> A regulated entity must have adequate systems and controls in place to ensure compliance with this Code.

<b>CHAPTER 13 - Definitions</b>	
<b>Proposed</b>	<b>Existing</b>
<b>In this Code:</b>	
“advertisement” means any commercial communication <b>in respect of</b> a regulated entity, which is addressed to the consumer public or a section of it, the purpose being to advertise a product, service the subject of this Code or regulated entity which is covered by this Code, excluding name plaques, sponsorship material and a prospectus drawn up in accordance with the Prospectus Directive (2003/71/EC);	“advertisement” means any commercial communication <b>usually paid for</b> by a regulated entity, which is addressed to the consumer public or a section of it, the purpose being to advertise a product, service or regulated entity the subject of this Code, excluding name plaques, sponsorship material and a prospectus drawn up in accordance with the Prospectus Directive (2003/71/EC);
advertised product or service” means the product or service that is the subject of an advertisement;	“advertised product or service” means the product or service that is the subject of an advertisement;
“associate” in relation to a person means:	“associate” in relation to a person means:
a) an undertaking in the same group as that person;	a) an undertaking in the same group as that person;
b) any other person whose business, private or familial relationship with the first person or its associate might reasonably be expected to give rise to a community of interest between them which may involve a conflict of interest in dealings with third parties; or	b) any other person whose business, private or familial relationship with the first person or its associate might reasonably be expected to give rise to a community of interest between them which may involve a conflict of interest in dealings with third parties; or
c) any other persons whose business, private or familial relationship (other than as arises solely because that person is a client of the firm) with the first person is such that he or she has influence over that person’s judgment as to how to invest his property or exercise any rights attaching to his investments;	c) any other person whose business, private or familial relationship (other than as arises solely because that person is a client of the firm) with the first person is such that he or she has influence over that person’s judgment as to how to invest his property or exercise any rights attaching to his investments;
“associated undertaking” means an associated undertaking within the meaning of Regulation 34 of the European Communities (Companies Group Accounts) Regulations 1992;	“associated undertaking” means an associated undertaking within the meaning of Regulation 34 of the European Communities (Companies Group Accounts) Regulations 1992;
“basic banking product or service” means a current account, <b>a demand deposit account</b> , or a term deposit account with a term of less than one year <b>and where withdrawals are permitted</b> ;	“basic banking product or service” means a current account, <b>overdraft, ordinary deposit account</b> or a term deposit account with a term of less than one year;
<b>“bundling” means the packaging of two or more products into a bundle, where each of these products can be purchased separately on the market;</b>	<b>New</b>

<b>Proposed</b>	<b>Existing</b>
“business day” means any day except Saturday, Sunday, bank holidays and public holidays;	“business day” means any day except Saturday, Sunday, bank holidays and public holidays;
“certified person” has the meaning assigned to it by Section 55 of the Investment Intermediaries Act 1995;	“certified person” has the meaning assigned to it by Section 55 of the Investment Intermediaries Act 1995;
“charges” means any cost or fee which a consumer must pay in connection with a product or service provided by a regulated entity;	“charges” means any cost or fee which a consumer must pay in connection with a product or service provided by a regulated entity;
“Chinese walls” means an arrangement within the organisation of the regulated entity (or between the regulated entity and any associate of that regulated entity) which requires information held by the regulated entity (or as the case may be, associate, or a particular operating unit within the regulated entity or associate in the course of carrying on one part of its business of any kind) to be withheld in certain circumstances from other operating units or from persons with whom it deals in the course of carrying on another part of its business of any kind;	“Chinese walls” means an arrangement within the organisation of the regulated entity (or between the regulated entity and any associate of that regulated entity) which requires information held by the regulated entity (or as the case may be, associate or a particular operating unit within the regulated entity or associate in the course of carrying on one part of its business of any kind) to be withheld in certain circumstances from other operating units or from persons with whom it deals in the course of carrying on another part of its business of any kind;
“claimant” means a person making a claim under an insurance policy entered into by a consumer <b>and can be a person, other than the policyholder;</b>	“claimant” means a person making a claim under an insurance policy entered into by a consumer;
“complaint” refers to an expression of grievance or dissatisfaction by a consumer, either verbally or in writing, in connection with: a) the provision of a product or service to a consumer by a regulated entity, or b) the failure of a regulated entity to provide a product or service to a consumer;	“complaint” refers to an expression of grievance or dissatisfaction by a consumer, either verbally or in writing, in connection with: a) the provision of a product or service to a consumer by a regulated entity, or b) the failure of a regulated entity to provide a product or service to a consumer;
“compound annual rate” is the equivalent annual rate of interest ( <b>where interest is paid on previously earned interest as well as on the principal</b> ), payable at the end of the year, on a deposit;	“compound annual rate” is the equivalent annual rate of interest, payable at the end of the year, on a deposit;
“connected party” shall, except where otherwise stated, include a partner, officer, controller, associated undertaking, related undertaking or subsidiary undertaking or employee of the regulated entity, including any associate of the person concerned;	“connected party” shall, except where otherwise stated, include a partner, officer, controller, associated undertaking, related undertaking or subsidiary undertaking or employee of the regulated entity, including any associate of the person concerned;
“consumer” means any of the following: a) a natural person acting outside their business, trade or profession;	“consumer” means any of the following: a) a natural person acting outside their business, trade or profession;

<b>Proposed</b>	<b>Existing</b>
b) a person or group of persons, but not an incorporated body with an annual turnover in excess of €3 million (for the avoidance of doubt a group of persons included partnerships and other unincorporated bodies such as clubs, charities and trusts, not consisting entirely of bodies corporate);	b) a person or group of persons, but not an incorporated body with an annual turnover in excess of €3 million (for the avoidance of doubt a group of persons includes partnerships and other unincorporated bodies such as clubs, charities and trusts, not consisting entirely of bodies corporate);
c) incorporated bodies having an annual turnover of €3 million or less in the previous financial year (provided that such body shall not be a member of a group of companies having a combined turnover greater than the said €3 million); or	c) incorporated bodies having an annual turnover of €3 million or less in the previous financial year (provided that such body shall not be a member of a group of companies having a combined turnover greater than the said €3 million); or
d) a member of a credit union; and includes where appropriate, a potential ‘consumer’ (within the meaning above);	d) a member of a credit union; and includes where appropriate, a potential ‘consumer’ (within the meaning above);
“credit institution” means the holder of an authorisation issued by the Central Bank or by a competent authority of another Member State for the purposes of <b>EU Directive 2006/48/EC</b> relating to the taking up and pursuit of the business of credit institutions;	“credit institution” means the holder of an authorisation issued by the Financial Regulator or by a competent authority of another Member State for the purposes of <b>EU Directive 2000/12/EC</b> relating to the taking up and pursuit of the business of credit institutions;
“customer” means any person to whom a regulated entity provides or offers to provide a service the subject of this Code, and any person who requests such a service;	“customer” means any person to whom a regulated entity provides or offers to provide a service the subject of this Code, and any person who requests such a service;
“default investment strategy” has the meaning in Part X of the Pensions Act 1990;	“default investment strategy” has the meaning in Part X of the Pensions Act 1990;
“deposit agent” means any person who holds an appointment in writing from a single credit institution enabling him to receive deposits on behalf of that institution and prohibiting him from acting in a similar capacity on behalf of another credit institution;	“deposit agent” means any person who holds an appointment in writing from a single credit institution enabling him to receive deposits on behalf of that institution and prohibiting him from acting in a similar capacity on behalf of another credit institution;
“deposit broker” means any person who brings together with credit institutions persons seeking to make deposits in return for a fee, commission or other reward;	“deposit broker” means any person who brings together with credit institutions persons seeking to make deposits in return for a fee, commission or other reward;
“employee” means a person employed under a contract of service or a person otherwise employed by a regulated entity;	“employee” means a person employed under a contract of service or a person otherwise employed by a regulated entity;



Proposed	Existing
“fair analysis of the market” means providing advice on the basis of a sufficiently large number of contracts and product producers available on the market to enable the intermediary to make a recommendation, in accordance with professional criteria, regarding which contract would be adequate to meet the consumer’s needs;	<b>New</b>
“group” includes a company, its parent and its subsidiaries and any associated undertaking or related undertakings;	“group” includes a company, its parent and its subsidiaries and any associated undertaking or related undertakings;
“home reversion agreement” has the meaning in Part V of the Central Bank Act 1997;	<b>New</b>
“inducement” means any gifts or rewards (monetary or otherwise) provided to a regulated entity but does not include: a) disclosable commission; or b) goods or services which can reasonably be expected to assist in the provision of services to consumers and which are provided or are to be provided under a soft commission agreement;	“inducement” means any gifts or rewards (monetary or otherwise) provided to a regulated entity but does not include: a) disclosable commission; or b) goods or services which can reasonably be expected to assist in the provision of services to consumers and which are provided or are to be provided under a soft commission agreement;
“Injuriesboard.ie” means the board known as such established under the Personal Injuries Assessment Board Act 2003, or any successor thereto;	“ <b>Personal Injuries Assessment Board</b> ” means the board known as such established under the Personal Injuries Assessment Board Act 2003, or any successor thereto;
“insurance intermediary” has the meaning in the European Communities (Insurance Mediation) Regulations 2005;	“insurance intermediary” has the meaning in the European Communities (Insurance Mediation) Regulations 2005;
“insurance undertaking” has the meaning in the Insurance Act 1989;	“insurance undertaking” has the meaning in the Insurance Act 1989;
“investment product” means an “investment instrument” within the meaning of Section 2 of the Investment Intermediaries Act, 1995 but does not include:	“investment product” means: a) a deposit with a term equal to or greater than one year; or b) an ‘investment instrument’ within the meaning of Section 2 of the Investment Intermediaries Act, 1995 but does not include:
a) non-life insurance policies; and b) life assurance products which do not have a surrender or maturity value;	i) insurance policies; and ii) instruments listed in Section C of Annex I of EU Directive 2004/39/EC;
This definition does not appear in the new proposed code	“investment product transaction” means: a) the purchase or sale by a firm of an investment product; b) the subscription for an investment product; c) the underwriting of an investment product; or d) the placing or withdrawal of a deposit in relation to a), b) or c) above;

<b>Proposed</b>	<b>Existing</b>
“lifetime mortgage” means a loan secured on a borrower’s home where: a) interest payments are rolled up on top of the capital throughout the term of the loan;	“lifetime mortgage” means a loan secured on a borrower’s home where: a) interest payments are rolled up on top of the capital throughout the term of the loan;
b) the loan is repaid from the proceeds of the sale of the property; and	b) the loan is repaid from the proceeds of the sale of the property; and
c) the borrower retains ownership of their home whilst living in it;	c) the borrower retains ownership of their home whilst living in it;
“limited analysis of the market” means providing advice on the basis of a limited number of contracts and product producers available on the market, i.e., not tied to one product product but not a fair analysis of the market;	<b>New</b>
“Member State” means a Member State of the European Economic Area;	“Member State” means a Member State of the European Economic Area;
“mortgage intermediary” has the meaning specified in Section 2 of the Consumer Credit Act 1995;	“mortgage intermediary” has the meaning specified in Section 2 of the Consumer Credit Act 1995;
“MiFID Service” means any service or activity set out in Schedule I of the European Communities (Markets in Financial Instruments) Regulations 2007, but not including any service or activity of a person to whom such Regulations do not apply by virtue of Regulations 3, 4 and 5 of such Regulations;	“MiFID Service” means any service or activity set out in Annex I of EU Directive 2004/39/EC, but not including any service or activity of a person to whom such Directive does not apply by virtue of Article 3 of such Directive;
“officer” in relation to a regulated entity, means a director, chief executive, manager or secretary, by whatever name called, <b>or an office or position, the holder of which reports directly to a director, chief executive, manager or secretary;</b>	“officer” in relation to a regulated entity, means a director, chief executive, manager or secretary, by whatever name called;
“outsourced activity” is where a regulated entity employs another person (other than a natural person who is an employee of the regulated entity under a contract of service) to carry out an activity on its behalf;	“outsourced activity” is where a regulated entity employs another person (other than a natural person who is an employee of the regulated entity under a contract of service) to carry out an activity on its behalf;
“payment service” means any payment service or activity as defined in Schedule 1 to the European Communities (Payment Services) Regulations 2009;	<b>New</b>
“person” means a natural person or a legal person;	“person” means a natural person or a legal person;
“protection policy” for the purposes of this Code includes the following:	“protection policies” for the purposes of this Code include the following:
a) insurances of a class falling within the European Communities (Non-Life Insurance) Framework Regulations 1994; and	a) insurances of a class falling within the European Communities (Non-Life Insurance) Framework Regulations 1994; and



<b>Proposed</b>	<b>Existing</b>
b) insurances of classes I, III and IV as set out in Annex I to the European Communities (Life Assurance) Framework Regulations 1994 where the purpose and intention of the policy is solely to provide protection;	b) insurances of classes I, III and IV as set out in Annex I of the European Communities (Life Assurance) Framework Regulations 1994 where the purpose and intention of the policy is solely to provide protection;
“PRSA” has the meaning in Part X of the Pensions Act 1990;	“PRSA” has the meaning in Part X of the Pensions Act 1990;
“record” means any document, file or information (whether stored electronically or otherwise) and which is capable of being reproduced in a legible form;	“record” means any document, file or information (whether stored electronically or otherwise) and which is capable of being reproduced in a legible form;
“regulated activities” are services of a financial or investment nature that are subject to the regulation of the Central Bank of Ireland;	<b>New</b>
“related undertaking” means: a) companies related within the meaning of section 140(5) of the Companies Act 1990; b) undertakings where the business of those undertakings has been so carried on that the separate business of each undertaking, or a substantial part thereof, is not readily identifiable; or c) undertakings where the decision as to how and by whom each shall be managed can be made either by the same person or by the same group of persons acting in concert;	“related undertaking” means: a) companies related within the meaning of section 140(5) of the Companies Act 1990; b) undertakings where the business of those undertakings has been so carried on that the separate business of each undertaking, or a substantial part thereof, is not readily identifiable; or c) undertakings where the decision as to how and by whom each shall be managed can be made either by the same person or by the same group of persons acting in concert;
“retail credit” means the provision of credit to relevant persons as defined in Section 28 of the Central Bank Act 1997;	<b>New</b>
“soft commission agreement” means any agreement under which a regulated entity receives goods or services, in return for which it agrees to direct business through or in the way of another person;	“soft commission agreement” means any agreement under which a regulated entity receives goods or services, in return for which it agrees to direct business through or in the way of another person;
“sponsorship material” means material that only communicates the regulated entity’s brand name or generic product/service types, rather than the promotion of a specific financial product/service;	<b>New</b>
“Standard Financial Statement” is a standard format for the purpose of obtaining financial information from consumers, including details of financial assets and commitments, income and expenses;	<b>New</b>

<b>Proposed</b>	<b>Existing</b>
“standard PRSA” has the meaning in Part X of the Pensions Act 1990;	“standard PRSA” has the meaning in Part X of the Pensions Act 1990;
“terms of business” means the document in which a regulated entity sets out the basis on which it will conduct business with consumers;	“terms of business” means the document in which a regulated entity sets out the basis on which it will conduct business with consumers;
“tracker bond” means a deposit or life assurance policy which contains the following features:	“tracker bond” means a deposit or life assurance policy which contains the following features:
a) a minimum payment, at the expiration of a specified period of time, of a specified percentage of the amount of capital invested by the consumer in the product; and	a) a minimum payment, at the expiration of a specified period of time, of a specified percentage of the amount of capital invested by the consumer in the product; and
b) a potential cash bonus payable after a specified period of time, which is linked to, or determined by, changes over the period of investment in the level of one or more recognised stock market indices, commodity prices, any other recognised financial indices or the price of one or more securities specified at the outset or from time to time;	b) a potential cash bonus payable after a specified period of time, which is linked to, or determined by, changes over the period of investment in the level of one or more recognised stock market indices, commodity prices, any other recognised financial indices or the price of one or more securities specified at the outset or from time to time.
“tying” means the sale of two or more products together in a package and at least one of these products is not sold separately;	<b>New</b>
“vulnerable consumer” means a consumer that is vulnerable because of mental or physical infirmity, age, circumstances or credulity. These can include, but are not limited to, the following: <input type="checkbox"/> those with a low level of educational attainment; <input type="checkbox"/> those with a low income; <input type="checkbox"/> those with a high level of indebtedness; <input type="checkbox"/> those with a poor credit history; <input type="checkbox"/> those who do not have English as a first language; <input type="checkbox"/> those suffering from a long term illness or disability or episodic illness; <input type="checkbox"/> those whose mental capacity to make a decision is diminished; <input type="checkbox"/> those that are near, or over the statutory retirement age, are retired from their occupation or are retiring soon; <input type="checkbox"/> those who are recently bereaved; <input type="checkbox"/> those with a substantial sum to invest who have little or no investment experience.	<b>New</b>

<b>Appendices</b>	
<b>Proposed</b>	<b>Existing</b>
Appendix A – Key features Document for Trackers	Identical to existing Appendix – Key Features Document for Trackers on page 32, Chapter 6 of the existing CPC
Appendix B – PRSA Document	<b>New</b>
Appendix C – Non- Standard PRSA Document	<b>New</b>