

Exempt Unit Trust Consultation – CP 68  
Markets Policy Division  
Central Bank of Ireland  
Block D, Iveagh Court  
Harcourt Road  
Dublin 2

11th October 2013

**Re: Consultation Paper CP 68**

Dear Sir/Madam,

Wealth Options Trustees Ltd. would like to make a submission in response to CP 68.

**Question for consideration: Do you believe that our brief summary on the organisation of EUTs as set out above is correct?**

The pension activities of pension providers is outside the scope of the AIFMD. Traditionally, the EUT is a method of ownership by one member pension arrangements where the investment discretion is retained by the individuals. The EUT is mainly used for practical and administrative reasons. Pooled investments through EUTs, are usually inaccessible and unavailable to the public, which is why they are outside the scope of the Unit Trust Act 1990.

The majority EUTs are established under the terms of an umbrella Trust Deed. This approach is adopted for ease of administration. The Series Trusts are typically worded as separate undertakings with entirely different and unrelated objectives, managers and administrators.

**Is an EUT an AIF?**

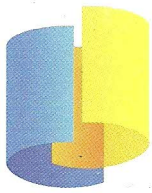
EUTs typically used by pension providers are separate undertakings, involving different and unrelated parties, entirely segregated in terms of their objectives, assets and liabilities.

We do not believe that all EUTs bear the features of an investment fund and therefore should be outside of AIFMD requirements.

If an EUT is not an investment fund, which we believe is the case, it falls outside the scope of the AIFMD.

**Question: Do you agree that an EUT is subject to the UT Act?**

EUTs are not considered excluded from the Unit Trust Act because they are limited to pension fund investors. They are considered excluded because not generally available to the public – in the same manner that a co-ownership between a group of colleagues is not available to the public.



**Question: Is there any reason why the Central Bank would not apply the same regulatory regime to EUTs, which are AIFs as to any other AIFs?**

- EUT Trustees may be forced to dispose of assets as they cannot satisfy the more stringent rules which will apply.
- Costs will increase to the Pension Investors due to increased compliance costs on foot of the regulations proposed.
- The deadline proposed of July 2015 is not achievable and may lead to substantial loss to investors as providers try to sell assets to become compliant.

Yours sincerely

**Paul Dunne**  
**Managing Director**