

Ballyragget & District Credit Union Ltd.  
Castle St.,  
Ballyragget,  
Co. Kilkenny.  
27/03/2014

## Response to Tiered Regulatory Approach

While we accept that there has to be change the proposals as outlined are too restrictive. There is a need for recognition of the smaller Credit Unions and their place in Irish society. Credit Unions with assets up to €25 million should be categorised separately. The current bands as proposed are too wide.

We are rejecting Section 5 of the Tiered Approach completely for the following reasons:

- Lending proposals and the restrictions being placed on volunteer Board Members and Management families will create a new class of member whereby they will be treated as 2<sup>nd</sup> class citizens just because a family member volunteers or is employed in their local credit union.
- Traditionally and under Credit Union rules once a member could prove their ability to repay a loan their connection to Board member or Management was irrelevant. As it is requests for loans by Board Members have to be approved by the Board prior to issue.

The proposals for Investments are ridiculous. They are far less Institutions available to Credit Unions than say 5 years ago and consequently Credit Unions will be forced outside the state whereas we should be encouraging investment within the State  
On behalf of Ballyragget & District Credit Union Ltd.

Kind Regards

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Central Bank Of Ireland**