

Central Bank of Ireland
PO Box No. 559
Dame Street
Dublin 2

30th September 2014

Dear Sir/Madam,

Kanturk Credit Union Limited Response to Consultation Paper CP 83

General Comments

Kanturk Credit Union Limited would like to register its broad agreement with the revised approach to fitness and probity for credit unions also authorised as retail intermediaries. The provision of Repayment Protection Insurance to members at our Credit Union returns very modest commission each year, but we believe that it is important to offer members such products as they serve a useful social function and provide members of authorised credit unions additional control over their financial affairs. However, the continued provision of such a product would be undoubtedly compromised by the additional prohibitive requirements of the general Fitness and Probity regime, were it to be extended to our Credit Union.

Given the small risk posed by such limited retail intermediary activity we believe that the revised approach outlined in CP 83 is proportionate from both a regulatory and operational point of view.

(i) Do you agree with the revised approach proposed for the application of fitness and probity requirements to credit unions that are also authorised as retail intermediaries? If you have other suggestions, please provide them along with supporting rationale.

Kanturk Credit Union Limited welcomes the revised approach regarding the original proposal that the general fitness and probity regime would apply to credit unions that are also authorised as retail intermediaries in relation to the retail intermediary portion of the credit union from the 1st August 2015.

The extension of the general fitness and probity regime to credit unions authorised as retail intermediaries without taking into consideration the scale, risk and complexity of retail intermediary activity within the sector would have been a disproportionate regulatory intervention that would have only served to unnecessarily penalise the members of many credit unions across Ireland who would no longer be in a position to offer such basic products due to imposed prohibitive regulatory directions.

(ii) Do you agree with the proposals regarding the Standards, Guidance, timelines and transitional arrangements for the implementation of fitness and probity requirements for credit unions that are also authorised as retail intermediaries? If you have other suggestions in relation to the proposals, please provide them along with supporting rationale.

Kanturk Credit Union Limited agrees with the proposals regarding the Standards, Guidance, timelines and transitional arrangements as outlined in Consultation Paper CP 83.

Yours sincerely,

Michael Walsh

Chairman

Kanturk Credit Union Limited