

CP83 Submission

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.

Kilmallock Credit Union agrees with the revised approach proposed by CP83 and welcomes the progress that the Central Bank has made in recognising how different from an organisational point of view Credit Unions are from the other types of retail intermediaries and that it would not be of any advantage treating Credit Unions in a comparable fashion to other types of retail intermediaries. It would be a time consuming process for both the Central Bank and the Credit Union itself if all directors and staff are to be put through a pre-approval process. We as a Credit Union find it difficult enough as it is to recruit volunteers under the current fitness and probity regime, so we cannot imagine the difficulty that we would have if each volunteer would have to endure the pre-approval process and we do stress yet again our nonexecutive Board consists of Volunteers.

First and foremost income from insurance services i.e. commission earned by us from the sale of RPI and other insurance products is of no great value to us as a Credit Union. It is just a service we provide to our members no more no less. The commission earned by us on a yearly basis is minimal. Year to date we have earned a total of €1962.00 for providing this service. Now bearing in mind at the moment all staff have to have minimum competency and maintain CPD, if we have the additional burden of having to go through the pre-approval process for all staff and Board Directors. The Board of Kilmallock Credit Union will cease to offer insurance services to members if PCF for all is introduced.

Kilmallock Credit Union