



Response to CP 83, Fitness & Probity Regime for Credit Unions that are also authorised as Retail Intermediaries

Overview of the revised approach

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

Response:

We would agree with the proposed reduction in PCF roles to the two as suggested in the consultation paper. If the original proposal was to be implemented, it would make it almost nigh impossible to get suitable members to serve as directors on the Board which in turn would create a crisis of governance which couldn't be resolved.

We would agree with the proposal in regard to the CF3, CF4, CF5, CF8 as we regard those positions as standard. We would however not agree with CF6, CF9, CF10 & CF11, in regard to CF6, we feel that we would not be in a position to determine the outcome of any claim arising under a contract of insurance or reinsurance.

CF9, CF10 & CF11, in these cases these are roles in which we do not partake and don't see any possibility of these in the future.

We would agree with the credit unions continuing to be subject to the tailored Fitness & Probity Standards as proposed in CP83. The broader standards for RFSP's would be unworkable if applied to Credit Unions given the difference in our co-operative and non-profit ethos (We are community orientated whereas most other providers would be profit driven)

We would have no comment in regard to the proposed review by the Central Bank in 2017.

(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 any other suggestions in relation to the proposals, please provide them along with supporting rationale.

We would in general have no comment to make in regard to this other than to confirm our agreement with existing in-situ PCF's in credit unions authorised as retail intermediaries not being required to re-apply for pre-approval to the Central Bank.

Regards,

Brendan Brady
Chairman