

Introduction of a Tiered Regulatory Approach for Credit Unions

Submission of Killorglin Credit Union

I refer to the Central Bank's request for submissions under Consultation Paper (CP76) Introduction of a Tiered Regulatory Approach for Credit Unions.

The Board of Killorglin Credit Union has authorised me to respond in regard to Section 5.2.4 – Restricted Persons Limits, with regard to the following concerns.

The imposition of an aggregate financial limit up to the greater of the €200,000 or 5% of the Regulator Reserves of the Credit Union, would be

- A significant restriction of the capacity of a Credit Union to serve its members and potential members in its common bond area, particularly in small rural communities where family connections are plentiful;
- Impractical to implement as a Loans Officer could not be expected to identify all of the members of the family (as defined in section 2(1) of the 1997 Act) of both members of the board of directors or the management team;
- A penalty on both serving and future board members as it may restrict them and their families for accessing credit from their Credit Union, making it difficult to recruit volunteers to the service of Killorglin Credit Union.

I trust that the Central Bank will give due consideration to the views of Killorglin Credit Union.

Pat Duffy
Manager
Killorglin Credit Union

