



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

Fitness and Probity Standards

Code issued under Section 50 of the
Central Bank Reform Act 2010

November 2025

Version History

Title of Document	Fitness and Probity Standards
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Previous Versions	The Fitness and Probity Standards, December 2023 and the Fitness and Probity Standards for Credit Unions, September 2024

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1. INTRODUCTION

1.1 Scope

On 1 October 2010, Part 3 of the Central Bank Reform Act 2010 created in Irish law a harmonised statutory system for the regulation by the Central Bank of Ireland of persons performing controlled functions or pre-approval controlled functions in regulated financial service providers (Fitness and Probity Regime)¹. The Central Bank (Individual Accountability Framework) Act 2023 amended the Central Bank Reform Act 2010 such that the Fitness and Probity Regime was extended to holding companies² established in the State and persons performing controlled functions or pre-approval controlled functions within them. This Code specifies the standards of fitness and probity which all persons performing controlled functions or pre-approval controlled functions, shall, at a minimum, comply with. This includes any persons performing controlled functions or pre-approval controlled functions in relation to the business undertaken by credit unions, including by credit unions under their authorisation as a retail intermediary.

1.2 Legal Basis

This Code is issued by the Central Bank of Ireland pursuant to the powers set out in Section 50 of the Central Bank Reform Act, 2010.

This Code may be amended or supplemented by the Central Bank of Ireland from time to time. Failure by a person to comply, or satisfy the Central Bank as to an ability to comply, with the standards of fitness and probity may inter alia:

- i. Where the approval of the Central Bank is being sought to permit a person to perform a pre-approval controlled function, lead to approval being refused;

¹ Part 3 of the Central Bank Reform Act 2010 was commenced for credit unions on 24 September 2012

² Within the meaning of Section 18 of the Central Bank Reform Act 2010

- ii. Where a person is performing or has performed a controlled function³, or is being considered or proposed for appointment to a controlled function, lead to an investigation being conducted in relation to the fitness and probity of that person to perform the relevant function;
- iii. Cause that person to be the subject of a prohibition notice under Section 43 of the Central Bank Reform Act 2010

A regulated financial service provider / holding company shall not permit a person to perform a controlled function unless the regulated financial service provider / holding company is satisfied on reasonable grounds that the person complies with this Code and the person has agreed to comply with the standards of fitness and probity set out in this Code.

1.3 Definitions

In this Code:

- a) '*the 2010 Act*' means the Central Bank Reform Act, 2010,
- b) '*the Central Bank*' means the Central Bank of Ireland,
- c) '*Controlled Functions*' means those functions set out in the Regulations,
- d) '*Credit Union*' has the meaning given by the Credit Union Act 1997
- e) '*Pre-Approval Controlled Functions*' means those functions set out in the Regulations,
- f) '*Regulated Financial Service Provider*' means regulated financial service provider as defined in Section 2 of the Central Bank Act 1942
- g) '*Regulations*' means the Central Bank Reform Act 2010 (Sections 20 and 22) Regulations, 2011 (S.I. No. 437 of 2011 Central Bank Reform Act 2010 (Sections 20 and 22 – Holding Companies) Regulations, 2023 (S.I. No. 664 of 2023), and

³ Please see Regulation 11B of S.I. No 437 of 2011 Regulation 11 of S.I. No. 171 of 2013 and Section 25(2) and Section 25(2A) of the Central Bank Reform Act, 2010.

Central Bank Reform Act 2010 (Sections 20 and 22 - Credit Unions) Regulations 2013 (S.I. No. 171 of 2013), ,

- h) '*Relevant Function*' means a function prescribed or declared as a Controlled Function or Pre-Approval Controlled Function under Sections 20 and 22 of the 2010 Act respectively,
- i) '*Retail Intermediary*' means an investment business firm as defined in the Investment Intermediaries Act, 1995 or an insurance intermediary as defined in the European Union (Insurance Distribution) Regulations 2018,
- j) '*Standards*' means the standards of fitness and probity, as set out in this document

Unless the contrary intention appears, a word or expression used in this Code which is also used in the 2010 Act, the Credit Union Act 1997 or the Investment Intermediaries Act, 1995 shall have the same meaning in this Code as in the relevant act.

1.5 Exclusion from the Scope of the Standards

1.5.1. For Regulated Financial Service Providers other than Credit Unions:

1. These Standards shall not apply to a person whose function is solely concerned with acting in accordance with a written set of instructions in the form of a script providing for that person to give a prescribed reply or follow a prescribed course of action in the event of a particular matter being raised with respect to a range of routine matters arising in the course of providing, or in relation to the provision, of the financial service.
2. These Standards shall not apply to persons performing functions with respect to a Regulated Financial Service provider where that function is carried on by another person (the "other person") and all of the following conditions are satisfied:

- (a) There is in place a written agreement between the Regulated Financial Service Provider and the other person for the carrying on of that function by that other person on behalf of the Regulated Financial Service Provider; and
 - (b) The other person is a financial service provider (other than a certified person within the meaning of Section 55 of the Investment Intermediaries Act 1995) who is regulated for a similar business to that conducted by the Regulated Financial Service Provider concerned, either:
 - i. By the Central Bank, or
 - ii. By an authority that performs functions in an EEA country that are comparable to the functions performed by the Central Bank, or
 - iii. By an authority that performs functions in a non-EEA country that are comparable to the functions performed by the Central Bank.
- 3. These Standards shall not apply to persons in Regulated Financial Service Providers / holding companies which are authorised, licensed or registered by the competent authority of another EEA country which provides cross border services into the State.
- 4. These Standards shall not apply to persons in branches established in the State of Regulated Financial Service Providers / holding companies authorised, licensed or registered by the competent authority of another EEA country.
- 5. These Standards shall not apply to persons in a separate legal entity in a group structure of companies (whether such an entity is a Regulated Financial Service Provider / holding company or otherwise) who may exercise a significant influence over a person

performing a Controlled Function or a Pre-Approval Controlled Function in a Regulated Financial Service Provider / holding company within that group which is authorised, licensed or registered by the Central Bank.

1.5.2. For Credit Unions:

These Standards shall not apply to persons performing functions with respect to a Credit Union where all of the following conditions are satisfied:

- (a) There is in place a written agreement between the Credit Union and a separate financial service provider for the carrying on of that function by that other person on behalf of the Credit Union, and
- (b) That other financial service provider (other than a certified person within the meaning of Section 55 of the Investment Intermediaries Act, 1995) is regulated for a similar business to that conducted by the Credit Union⁴ concerned either:
 - i. By the Central Bank, or
 - ii. By an authority that performs functions in an European Economic Area (EEA) country that are comparable to the functions performed by the Central Bank, or
 - iii. By an authority that performs functions in a non-EEA country that are comparable to the functions performed by the Central Bank.

⁴ This includes Credit Unions that are also authorised as Retail Intermediaries.

2. FITNESS AND PROBITY STANDARDS

- 2.1. A person to whom this Code applies shall comply with these Standards at all times.
- 2.2. In order to comply with section 2.1, a person is required to be:
 - a) Competent and capable,
 - b) Honest, ethical and to act with integrity, and
 - c) Financially sound.
- 2.3. Any information provided by an individual pursuant to this Code to the Central Bank and/or a Regulated Financial Service Provider/holding company shall be candid and truthful and shall be full, fair and accurate in all respects and not misleading to the best of their knowledge.
- 2.4. In determining whether an individual has complied with this Code, a Regulated Financial Service Provider/holding company or the Central Bank, as the case may be, shall have regard to any applicable guidance issued by the Central Bank.

3. CONDUCT TO BE COMPETENT AND CAPABLE

- 3.1. A person shall have the qualifications, experience, competence and capacity appropriate to the Relevant Function.
- 3.2. Without limiting the generality of section 3.1, the person must be able to demonstrate that:
 - (a) The person has professional or other qualifications and capability appropriate to the Relevant Function,
 - (b) The person has obtained the competence and skills appropriate to the Relevant Function, whether through training or experience gained in an employment context or in relation to the performance of a Controlled Function at a Credit Union in a voluntary context,
 - (c) The person has shown the competence and proficiency to undertake the Relevant Function through the performance of previous functions which if carried out at present would be subject to this Code, or current Controlled Functions, or performance by the person of any role similar or equivalent to the functions that are covered by this Code. If the person performed a function in:
 - i) a Regulated Financial Service Provider (other than Credit Unions) / holding company, which if performed at present would be subject to this Code, and that Regulated Financial Service Provider (other than Credit Unions) / holding company received State financial support, consideration shall be given to the competence and skills demonstrated by that person in that function and to

the extent, if any, to which the performance of their function may have contributed to the necessity for such State financial support;

- ii) a Credit Union which if performed at present would be subject to this Code, and that Credit Union received State or Credit Union sector financial support or was subject to any action under the Central Bank and Credit Institutions (Resolution) Act 2011 or any regulatory action under the Credit Union Act, 1997, consideration shall be given to the competence and skills demonstrated by that person in that function and to the extent, if any, to which the performance of their function may have contributed to the necessity for such State or Credit Union sector financial support or regulatory action,

(d) The person has a sound knowledge of the business of the Regulated Financial Service Provider / holding company as a whole, and the specific responsibilities that are to be undertaken in the Relevant Function,

(e) The person has a clear and comprehensive understanding of the regulatory and legal environment appropriate to the Relevant Function,

(f) The person shall not allow the conduct of concurrent responsibilities to impair their ability to discharge the duties of the Relevant Function or otherwise allow conflicts of interest to arise in carrying out their Pre-Approval Controlled Function(s) or Controlled Function(s), and

(g) The person is compliant with the applicable Minimum Competency Code issued by the Central Bank, where relevant.

4. CONDUCT TO BE HONEST, ETHICAL AND TO ACT WITH INTEGRITY

- 4.1. Without limiting the generality of section 2.2 (b), a person must be able to demonstrate that their ability to perform the Relevant Function is not adversely affected to a material degree where one or more of the following may be applicable:
- (a) The person is or was a sole trader or a director or partner in a legal entity, which has in any jurisdiction, been refused registration, authorisation, membership or had its licence revoked, otherwise than on a voluntary basis,
 - (b) The person has been the subject of any complaint made to the Central Bank, the Financial Services and Pensions Ombudsman or any equivalent body, reasonably and in good faith, relating to activities regulated by the Central Bank or regulated by an equivalent authority in any jurisdiction. In considering whether the complaint adversely affects the person's ability to carry out the Relevant Function, consideration shall be given to the outcome of any inquiry or investigation or any similar process into that complaint if same has been concluded,
 - (c) The person is or has been, in any jurisdiction, subject to any disciplinary proceedings or has been issued a warning, reprimand or other administrative sanction or its equivalent, by the Central Bank, or an equivalent measure issued by any other regulatory authority, (including any previous regulator), any clearing house and exchanges, any professional body, government body or agency,

- (d) The person has been, in any jurisdiction, suspended, dismissed, or asked to resign and did resign, from any profession, vocation, office or employment or from any position of trust or fiduciary appointment, whether or not remunerated,
- (e) The person has, in any jurisdiction, been a director, of a company that was struck off the register of companies (or its equivalent) by the Registrar of Companies (or its equivalent) on an involuntary basis,
- (f) The person has been disqualified or restricted from acting as a director in any jurisdiction or has been disqualified from acting in any managerial capacity,
- (g) The person has, in any jurisdiction:
 - i) Been prosecuted or convicted of an offence either of money laundering or terrorist financing (or their equivalents),
 - ii) Been convicted of an offence which could be relevant to that person's ability to perform the Relevant Function, or
 - iii) Had proceedings issued, a civil finding, judgment or order made against him/her involving fraud, misrepresentation, dishonesty or breach of trust or where the person is subject to any current proceedings for fraud, misrepresentation, dishonesty or breach of trust.
- (h) The person has been the subject of any civil penalty enforcement action taken by a regulatory authority under any law in any jurisdiction,

- (i) The person has been untruthful or provided false or misleading information to the Central Bank or other regulators or bodies (both in Ireland and other jurisdictions) or been uncooperative in any dealings with the Central Bank,
- (j) The person, or any business (or legal entity) with which the person held a position of responsibility or influence has been or is being, investigated, disciplined, censured, suspended or criticised by a regulatory or professional body, a court or tribunal or any similar body, whether publicly or privately, in any jurisdiction, or is currently the subject of civil proceedings,
- (k) The person has, in any jurisdiction, been found by the Central Bank or any other regulatory authority to have perpetrated or participated in any negligent, deceitful or otherwise discreditable business or professional practice,
- (l) The person has been subject to remuneration clawbacks as a consequence of alleged wrongdoing;
- (m) The person has been subject to disciplinary proceedings by an employer / Regulated Financial Service Provider/ holding company,
- (n) The person has been convicted of a criminal offence, or has been subject to a criminal investigation or proceedings or subject of civil proceedings,
- (o) The person has criminal proceedings pending against them or any organisation managed by them, or

- (p) In relation to the performance of a Controlled Function at a Credit Union, the person has held in the past year or currently holds a loan with the relevant Credit Union⁵.

⁵ The reference to the relevant Credit Union relates to the Credit Union in respect of which the person is proposed to perform a Controlled Function or where they are currently performing a Controlled Function.

5. FINANCIAL SOUNDNESS

- 5.1. A person shall manage their affairs in a sound and prudent manner.
- 5.2. Without prejudice to the generality of section 5.1, a person must be able to demonstrate that their role in a Relevant Function is not adversely affected to a material degree by the fact that one or more of the following may be applicable:
- (a) The person has defaulted upon any payment due arising from a compromise or scheme of arrangement with their creditors or made an assignment for the benefit of their creditors,
 - (b) The person is subject to a judgment debt which is unsatisfied, either in whole or in part, whether in the State or elsewhere,
 - (c) The person is or has been the subject of a bankruptcy petition, whether in the State or elsewhere,
 - (d) The person has been adjudicated a bankrupt and the bankruptcy is undischarged, whether in the State or elsewhere, or
 - (e) The person was a director of an entity which has been the subject of insolvency.

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