



INTERMEDIARY TIMES NEWSLETTER FOR BROKERS/RETAIL INTERMEDIARIES

I would like to welcome you to the Central Bank of Ireland's first newsletter for brokers/retail intermediaries. We will be publishing the newsletter three times a year (February, May and September) to highlight topics of interest, new items on our website and regulatory issues you need to be aware of. This newsletter is designed to improve communications with the industry and to assist firms in improving their standards of compliance. We hope that you find this newsletter beneficial and would welcome your feedback.

Patricia Moloney

Head of Insurance, Investments & Intermediaries Division

THE RETAIL INTERMEDIARIES TEAM

CONTACT US

Have you a general query or a question about your annual online return? Contact the Brokers Team:
brokers@centralbank.ie

Do you need to revoke your authorisation? Contact the Revocations Team:
revoke@centralbank.ie

Do you need to amend your current authorisation? Contact the Post Authorisation Team:
retailintermediaries@centralbank.ie

Do you have a query about the Online Individual Questionnaire (IQ)?
Contact the Fitness & Probity Team:
fitnessandprobity@centralbank.ie

Visit our new look Brokers/Retail Intermediaries section of our website www.centralbank.ie. We hope you like the changes and find it an easier website to navigate.

If you have feedback you would like to give on this newsletter, please contact:
brokers@centralbank.ie

If you have a query about advertising standards in the Code, please contact:
code@centralbank.ie

COMING TO A TOWN NEAR YOU....

In the coming weeks the Retail Intermediaries Team will be conducting regional events where you will have the opportunity to speak with us in person, and we will seek to answer any queries that you may have. We look forward to seeing you on:

23 February	Sligo
21 March	Douglas, Cork
02 May	Limerick

If you wish to register for one of these events, please email your name, number of people attending with you and your preferred venue to: brokers@centralbank.ie
We will then forward you on details of the event by email.

COMPLIANCE UPDATES	REMINDERS
<p>CODES/GUIDANCE ON REGULATORY REQUIREMENTS</p> <p>You and the staff of your firm need to be familiar with all relevant regulatory requirements including our Codes of Conduct.</p> <p>Our codes can be accessed on our website at the link below: Codes / Guidance on Regulatory Requirements</p> <p>Please email our Code team on code@centralbank.ie if you have any queries.</p>	<p>ANNUAL ONLINE RETURN (A.R)</p> <p>You will have received details in relation to the introduction of the A.R previously. From July 2011, each regulated firm is now required to submit relevant key information to us on an annual basis via a secure web-based electronic reporting system, the ONR system.</p> <p>If your financial end year was August 2011, please note that you are required to submit your A.R by 29 February 2012. Click here to submit your return</p> <p>We would like to thank those firms who have submitted their annual online returns since the launch of the ONR system in July 2011. One of our strategic intents is to ensure excellence and compliance in this area and for those firms' who have yet to submit their returns, please click on the link above to do so now.</p> <p>If you have any queries or problems with completing your return, please refer to the user manual and FAQ documents on the Annual Online Return page.</p>
<p>FOR ALL FIRMS REGISTERED UNDER THE EC (INSURANCE MEDIATION) REGULATIONS ("the IMR")</p> <p>All insurance or reinsurance intermediaries which are registered under the IMR are required to hold a valid policy of professional indemnity insurance providing cover at the following levels:</p> <ul style="list-style-type: none"> • €1,000,000 for each claim received within each calendar year and; • €1,500,000 in aggregate for all claims received within that year; <p>unless the insurance or other guarantee is already provided by an insurance undertaking, reinsurance undertaking or other undertaking on whose behalf the insurance / reinsurance intermediary is acting, or for which it is empowered to act, or the undertaking has taken full responsibility for the intermediary's actions.</p>	<p>FOR ALL FIRMS REGISTERED UNDER THE INVESTMENT INTERMEDIARIES ACT, 1995 ("the IIA")</p> <p>Firms which are authorised under the IIA are reminded of their legal obligation to maintain the minimum level of capital as required by the IIA and set out hereunder:</p> <ul style="list-style-type: none"> • An investment intermediary must be solvent (i.e. have positive shareholders' funds or a positive capital account) at all times; • An investment intermediary that is authorised to provide investment advice on a fair analysis basis or which is not authorised as a restricted intermediary must maintain a minimum level of shareholders' funds or capital account of €10,000 at all times. • An investment intermediary that acts as a product producer (i.e. appoints sub-brokers) must have minimum shareholders' funds (or in the case of a sole trader or partnership a positive capital account) of €50,000 at all times.

IN FOCUS

NEW CONSUMER PROTECTION CODE

In October 2011, the Central Bank of Ireland published a revised [Consumer Protection Code](#) (2012 Code) which came into effect on **1 January 2012** for all regulated entities. The revised Code increases the protections for consumers in a number of key areas that you should be aware of:

Contact with consumers	Pressurised selling of financial products to consumers is of particular concern within the wider industry, so unsolicited personal or "doorstep" visits are now banned. Please refer to Chapter 3 of the Code.
Suitability of products sold	More prescriptive requirements have been introduced in terms of the information that regulated entities must gather under the 'Knowing the Consumer' process, in order to assess whether a product or service is suitable for a particular consumer. Please refer to Chapter 5 of the Code
Transparency	More balanced information must be provided to consumers in advertisements. Where advertisements outline the benefits of a product or service, they must also outline the risks. Key information on products and services must be made prominent in advertisements and must not be obscured. Please refer to Chapter 9 of the Code.

Watch out for more key areas of the Code that will be covered in our next edition of *Intermediary Times*.