

By Email: ProhibitionsConsultation@centralbank.ie
Subject: CP166 - Consultation on Prohibition Notices Under the Fitness and Probity Regime
Date: 25th March 2026

Dear Sir/Madam,

The Compliance Institute (the 'Institute') is the professional body for compliance professionals. With over 3,850 members, it is the premier provider of education and professional development in compliance, providing an authoritative and balanced voice on matters relating to regulatory compliance and business ethics in Ireland.

The Institute is supportive of the Fitness and Probity Regime in its aim to ensure that individuals in key and customer facing positions are competent and capable, honest, ethical and of integrity and financially sound. The Institute is well placed to provide informed feedback given the key role that the profession has in Regulated Financial Service Providers ('RFSP(s)') and its diverse membership that includes compliance and other professionals from a broad range of sectors subject to different levels of regulation and supervision. Many of our members perform control function roles, primarily acting as PCF12 Heads of Compliance and/or CF2s ensuring, controlling or monitoring compliance by RFSPs with their relevant obligations.

The Institute welcomes the publication by the Central Bank of Ireland ('Central Bank') of the Consultation Paper on Prohibition Notices Under the Fitness and Probity Regime, and the opportunity to provide responses on behalf of its members to the questions set out in the paper as are more particularly set out in Appendix 1.

The recent Central Bank webinar was very well received by our membership, and the opportunity to engage and communicate in these types of fora very helpful. Our members would welcome the continuation of this engagement with the Central Bank and express their thanks for the support provided to date.

The views expressed in this letter reflect those of the Institute as a professional body for compliance professionals in consultation with a sub-section of its members representing a range of financial services industry sectors.

We hope you find our views constructive and are available to discuss further if helpful at your convenience.

Yours faithfully



Michael Kavanagh

CEO

APPENDIX 1

RESPONSES TO CP166 QUESTIONS

Question 1: Is the Supplemental Guidance helpful? What other information would be useful to include?

The Supplemental guidance to further clarify the Central Bank's prohibition procedures is welcomed by our membership and includes helpful detail on the circumstances and general principles surrounding prohibition notices and associated processes.

With reference to the fact that where a Prohibition Notice ceases to have effect, the individual may seek to resume performing a CF/PCF role(s) to which the Prohibition related. Does the Central Bank have an expectation of enhanced or other additional due diligence being conducted by the RFSP in the context of it being satisfied that the individual complies with the required standards of F&P. It would be helpful if further guidance on any additional expectations around this were referenced in the Supplemental Guidance.

Further information on the Central Bank's decision to publish a Prohibition Notice would be helpful, including examples of circumstances where this may or may not occur, and the factors that inform the timing around such publication. In relation to the timing of such publication, members queried if the likelihood of a prohibited person successfully requesting the Central Bank to terminate any such prohibition agreement or making a successful application to the High Court for an order revoking or varying a Prohibition Notice, would be considered.

Question 2: Do you have any observations on the circumstances relevant to prohibition as set out in Table 1 of the Supplemental Guidance?

The list of circumstances relevant to prohibition set out in Table 1 of the Supplemental Guidance is helpful, particularly where accompanied by examples for illustrative purposes such as in Part B where examples of the circumstances where the Prohibition Decision Maker may conclude that the case gives rise to a high degree of risk.

In relation to Part C on the previous supervisory, disciplinary, criminal and compliance record of the Subject, members felt reference to a look-back period for such records, having regard in particular to where such records may date back a considerable period, and the extent to which this may, or may not be, a mitigating factor, would be a useful addition to this section of the Supplemental Guidance.

In relation to Part F, can the Central Bank provide some examples of what would be deemed satisfactory evidence of whether the Subject has shown an understanding of any matters indicating a lack of appropriate fitness or probity. Members would like clarification for example as to how any relevant admissions, acceptance of responsibility or expressions of regret or remorse would be evidenced (in writing) by the Subject. Noting further in this context the challenges outlined in previous consultations around individual (P)CF access to records and evidence, particularly where they are no longer in employment with the relevant RFSP.

In relation to Part G, it may be helpful for the Central Bank to reference how it manages cases where the personal circumstances of the Subject are such that there are health issues to be taken into consideration in the context of pursuing an investigation against an individual (P)CF, noting the potential impact on the individual as a result of undergoing investigation.

There may be merit in adding some reference in the Supplemental Guidance as to how the Central Bank manages cases where the relevant circumstances as set out by the Subject differ materially from the relevant circumstances as described by the RFSP itself.

Question 3: Do you have any observations on any other aspects of the Supplemental Guidance?

The intention that the Supplemental Guidance be subsumed into the Main Guidance is appreciated by our membership, noting the challenges associated with managing multiple sources of guidance. The progress being made by the Central Bank with centralising documentation in this way, and transposing content into more accessible formats, is very well received by our members and wider teams in RFSPs.

The inclusion in Section 18 of the Supplemental Guidance of specific examples of conditions that may be specified as part of a Prohibition is very helpful. In relation to a prohibition with conditions, which permits the individual to continue performing the role subject to complying with the specified conditions, and prohibitions for specified periods, members have questioned the extent to which a (P)CF would in practice be able to continue in, or secure employment in equivalent roles in future, having such prohibitions as part of their record. The look-back period for previous supervisory, disciplinary, criminal and compliance record of the Subject noted above being of relevance here also.