

S.I. No. 107 of 2007

REGULATIONS

entitled

**Credit Union Act 1997 (Exemption from Additional Services
Requirements) Regulations 2007**

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Made by the Minister for Finance

I, Brian Cowen, Minister for Finance, in exercise of the powers conferred on me by paragraph (h) of section 182(1) (as amended by Item 121 of Part 24 of Schedule 1 to the Central Bank and Financial Services Authority of Ireland Act 2003 (No. 12 of 2003)) of the Credit Union Act 1997 (No. 15 of 1997) and after consulting, in accordance with section 182(1A) (inserted by Item 121 of the said Part 24) of the Credit Union Act 1997, with the Central Bank and Financial Services Authority of Ireland, the Credit Union Advisory Committee and the Irish League of Credit Unions, hereby make the following regulations:

1. These Regulations may be cited as the Credit Union Act 1997 (Exemption from Additional Services Requirements) Regulations 2007.

2. These Regulations come into operation on 9 March 2007.

3. In these Regulations-

“Bank” means Central Bank and Financial Services Authority of Ireland;

“Personal Retirement Savings Account”, “PRSA” and “PRSA Provider” each have the same meaning as in Part X (inserted by section 3 of the Pensions (Amendment) Act 2002 (No. 18 of 2002)) of the Pensions Act 1990 (No. 25 of 1990).

4. (1) Subject to paragraph (2), the service detailed in paragraph (1) of the Schedule is prescribed for the purposes of section 48 (as amended by Item 26 of Part 24 of Schedule 1 to the Central Bank and Financial Services Authority of Ireland Act 2003 (No. 12 of 2003)) of the Credit Union Act 1997 (No. 15 of 1997).

(2) In relation to the service referred to in paragraph (1), these Regulations do not apply unless all the relevant conditions specified in paragraph (2) of the Schedule are fully complied with by the credit union concerned.

SCHEDULE

Personal Retirement Savings Accounts

(1) Any service (“service”) whereby –

- (a) a credit union member may be introduced to a PRSA Provider by his or her credit union for advice on the provision of a PRSA, or
- (b) when such an introduction takes place, a credit union may make facilities available to a PRSA Provider to enable it provide such advice.

(2) Conditions to be fulfilled where a credit union wishes the service to be offered or provided to its members :

- (a) the service shall be on an introduction basis only, where the credit union introduces the member to a PRSA Provider, and the credit union may not provide any advice to a member in relation to a PRSA;
- (b) a credit union which intends to enter into an arrangement with a PRSA Provider is required to notify the Registrar of Credit Unions in writing of such intention not less than 7 days before entering into such an arrangement;
- (c) the credit union may only have such an arrangement with one PRSA Provider at any one time in relation to the service;
- (d) the credit union is required to hold a valid authorisation under the Investment Intermediaries Act 1995 (No. 11 of 1995) in respect of the service;

- (e) the credit union is required to enter into a written agreement with the PRSA Provider referred to in subparagraph (c) (“contracting PRSA Provider”) under which the contracting PRSA Provider is responsible for any act or omission of the credit union concerned in respect of any matter pertaining to a PRSA offered or provided by the contracting PRSA Provider;
- (f) any contract arising from the service is required to be between the contracting PRSA Provider and a credit union member and the credit union concerned may not be a party to any such contract;
- (g) the credit union may not permit any premises which the credit union uses to be used for the purposes of arranging or offering to arrange the provision of a PRSA to a member of the credit union by a PRSA Provider other than the contracting PRSA Provider;
- (h) a clear distinction shall be drawn between the business of the credit union and that of the contracting PRSA Provider and this shall extend to all signage, stationary or other branding of whatever kind;
- (i) the credit union is required to state on letter headings and business forms which are used for the purposes of the service referred to in paragraph 1(a) that the credit union acts as an introducer solely for the contracting PRSA Provider;
- (j) an officer or staff member of the credit union may not receive remuneration directly or indirectly from the PRSA Provider in respect of the service;
- (k) the credit union shall account separately in its books for any fees or commissions received in relation to the provision of the service.

GIVEN under my Official Seal,

6th day of March 2007.



BRIAN COWEN

Minister for Finance.

EXPLANATORY NOTE

(This note is not a legal part of the Instrument and does not purport to be a legal interpretation)

These regulations exempt the provision by a credit union of PRSAs to its members from the Additional Services Requirements of the Credit Union Act, 1997.