QFA

Continuing Professional Development (CPD) Scheme

Guidelines & Regulations

2012
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A. CPD Accreditation Request Form  
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1. Introduction

Welcome to the CPD Guidelines & Regulations 2012 for those who hold the QFA (Qualified Financial Adviser) designation. These guidelines are valid for the CPD year 2012.

The QFA designation, which is awarded to those who successfully complete the Professional Diploma in Financial Advice (formerly the QFA® Diploma), is now well established as a benchmark that stands for quality and commitment in those who hold it. Indeed, the high standard that the QFA represents has received the highest of endorsements, in being deemed by the Central Bank as meeting its Minimum Competency Code in five categories\(^1\) of retail financial products. The Minimum Competency Code is effective from December 1\(^{st}\) 2011.

The Minimum Competency Code applies to persons exercising a controlled function or pre-approval controlled function on a professional basis, the exercise of which includes the following:

- providing advice to consumers on retail financial products,
- arranging or offering to arrange retail financial products for consumers, including any amendments to insurance cover and the restructuring or rescheduling of loans, or
- the exercise of a specified function.

Under the Minimum Competency Code, all accredited persons are obliged to complete a number of CPD hours each year.

For further information on the Minimum Competency Code visit www.centralbank.ie.

This public and high profile approval of the QFA designation is due in no small way to the mandatory requirement to participate in the QFA CPD scheme.

Every person who holds the QFA designation is obliged to:

- a) fully participate in the QFA CPD scheme and comply with all of its requirements and
- b) maintain membership of their professional body i.e. LIA or The Institute of Bankers in Ireland

Any breach of either one or both of these conditions will result in the loss of the QFA designation and the automatic removal of the person’s details from the Online Register of QFAs (www.qfaboard.ie/register). This process is essential in maintaining the credibility and standing of the designation, and of those who continue to hold it. A person who has their QFA designation removed for non-compliance must be removed from their regulated firm’s Register of Accredited Persons and can only be restored once he or she is again in compliance with the CPD requirements.

2. Purpose of the QFA CPD Scheme

The purpose of the QFA CPD scheme is to keep the qualification current and to ensure that those who qualified in the past are as knowledgeable as those qualifying today. The CPD scheme also meets the Central Bank’s Minimum Competency Code for advising on five retail financial products\(^1\) and/or for undertaking certain specified functions. See Appendix D for the categories of retail financial products that QFAs are accredited in under the Minimum Competency Code.

Therefore, the content of CPD hours must be directly relevant to providing advice to consumers on retail financial products, which, in the context of the Minimum Competency Code, means that the content must be related to the knowledge requirements set out in the Minimum Competency Code for the categories of Retail Financial Product in respect of which the QFA designation is recognised. See section 24. ‘QFA Board Criteria in Relation to Awarding CPD Credit’.

For further information on the Minimum Competency Code visit www.centralbank.ie

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\(^1\) A bridge examination applies in the case of QFAs advising on Personal General Insurance and Private Medical Insurance. A further examination can be taken in the case of QFAs advising on Commercial General Insurance or QFAs can undertake two examinations in Commercial General Insurance only.
3. Role and Constitution of The QFA Board

The role of the QFA Board includes the review, approval and publication of the CPD requirements to be met by holders of the QFA designation.

The QFA Board is made up of seven members (two representatives each from LIA, The Institute of Bankers in Ireland and The Insurance Institute of Ireland, along with an independent Chairperson). Full details of the current members are available on the QFA Board website [www.qfaboard.ie](http://www.qfaboard.ie).

4. Online Register of QFAs

All QFAs are listed in a publicly available Online Register of QFAs available at [www.qfaboard.ie/register](http://www.qfaboard.ie/register).

5. Administration of the QFA CPD Scheme

Administration of the CPD scheme is carried out by the CPD Administration staff of LIA and the Institute of Bankers in Ireland for their respective members.

6. Terms

Throughout this document the following terms are used:

"Administrator(s)"

This term refers to the respective bodies responsible for carrying out the administration of the CPD scheme, i.e. the CPD Administration staff of LIA and the Institute of Bankers in Ireland.

See section 5. above ‘Administration of the QFA CPD Scheme’.

"Qualified Financial Adviser" and / or "QFA"

These terms are used to refer to those who have completed all of the appropriate examinations and have been awarded the QFA designation.

7. Continuing Professional Development (CPD) - Definition

There have been many definitions of CPD by various individuals and bodies over the years. The Professional Associations Research Network in the UK carried out an extensive research project into CPD between November 1998 and February 2000 and in the process devised the following comprehensive definition:

"CPD is any process or activity of a planned nature, that provides added value to the capability of the professional through the increase in knowledge skills and personal qualities necessary for the execution of professional and technical duties, often termed competence. It is a life-long tool that benefits the professional, client, employer, professional association and society as a whole and is particularly relevant during periods of rapid technological and occupational change."

The purpose of the QFA CPD scheme is to keep the qualification current and to ensure that those who qualified in the past are as knowledgeable as those qualifying today.
8. Benefits of CPD

You
There can be no doubt that the principal beneficiary of CPD participation is you. Your involvement should ultimately help you both in your career and personally. As well as ensuring that you meet the Central Bank’s Minimum Competency Code, CPD should help you to:

- update your skills and knowledge on existing and new areas of business
- build client trust and confidence
- earn greater income
- expand and hone your skills
- build self-confidence and conviction
- remain competitive
- raise your personal profile through networking and make you more ‘marketable’ to your existing and/or future employers
- gain a broader view

Your Clients
Your participation in the CPD scheme also benefits your clients, who will be reassured that you are a qualified, well-informed person maintaining your knowledge and skills by keeping in touch with ongoing developments in your business. Moreover, they will know that you meet the Central Bank’s Minimum Competency Code for retail financial advisers.

Your Employer
Your employer or Company benefits from your participation, as you are likely to be more efficient and productive, which obviously gives them a competitive edge.

The QFA Designation
The fact that all QFAs participate in a common CPD scheme gives added value and credibility to the QFA designation itself. This has a positive effect on client and employer confidence, which in turn has a positive effect on you.

The Financial Services Industry
The QFA designation which is backed up by a mandatory CPD scheme and which has received the approval of the Central Bank is a recognised stamp of quality for those who hold it.

The Professional Bodies
Finally, the CPD scheme adds credibility to the professional bodies of which you are a member, namely, LIA, The Institute of Bankers in Ireland, or The Insurance Institute of Ireland.

9. Annual CPD Requirements

Every QFA is obliged to complete the same amount of CPD, irrespective of the area of business or the industry in which they are employed.

The annual requirement is **15 formal hours** (definition and examples are outlined later in this document). Thus, all reference to CPD hours throughout this document means **formal** CPD hours.

QFAs must complete at least one hour of CPD each year relevant to each of the five categories of product in respect of which the QFA designation is recognised (and the Insurance categories if also accredited in these product categories). Where a CPD event/course is relevant for more than one category, a person completing such a course/event will be deemed to have met the requirement in respect of each category. **QFAs must also complete at least one hour of CPD each year which relates to Ethics.**

The CPD scheme for QFAs is essentially self-certifying and there will be no compulsory testing by the Administrators. A sample of members will be selected for audit of their CPD hours each year (see section 21. ‘Audit’).
10. Monthly Average

Clearly, with 15 hours to be completed each year, members should aim to complete approximately 1 – 1.5 hours each month. This is a recommendation rather than a requirement. Please note that regulated firms are required, under the Central Bank’s Minimum Competency Code, to monitor the compliance of qualified and grandfathered persons with the CPD requirements at least once in the first nine months and once within six weeks of the year end (refer to the Code document page 22).

11. Surplus Hours

Any surplus accumulated in one year may NOT be carried into the following year(s).

12. CPD Year

The CPD year runs from 1st January – 31st December each year, i.e. hours must be completed in the calendar year. While the closing date for making an annual return each year is 31st January (see section 20. ‘Annual Returns’), CPD hours must be completed by 31st December. Hours completed in January count for that CPD year and cannot be counted for the previous CPD year, e.g. hours completed in January 2013 will count for the 2013 CPD year and not 2012.

13. Minimum & Maximum Duration - CPD Hours

All CPD hours must be accredited by the Administrators, i.e. the CPD Administration staff of LIA or the Institute of Bankers in Ireland and (in certain cases) the Insurance Institute of Ireland, as appropriate (see section 27. ‘Accreditation of Events for CPD Hours’).

The minimum unit of time recognised and accredited for CPD purposes is a half hour.

The maximum number of hours that will be accredited for any single event/activity/topic is 4 hours. The maximum number of hours that will be accredited for any single tested online course/module is 2 hours. The maximum number of hours that will be accredited for any single examined course/module (must be a minimum of 3 ECTS credits on a programme leading to a qualification at level 6 or above on the National Framework of Qualifications and CPD credit is awarded in the year the examination is passed) is 8 hours. This is to ensure that QFAs achieve their CPD hours and enhance their knowledge across a range of topics rather than just one or two.

Time spent actively involved in a CPD activity will count and can include question and answer time, case studies and tests/exams etc. Time spent travelling to an event, registration time, coffee / lunch breaks, social time etc. will not count.

14. Pro Rata Adjustment of CPD Hours

In certain circumstances (see (i) and (ii) below) a pro rata adjustment (reduction) in required CPD hours may be granted, provided the QFA is not giving financial advice and/or undertaking certain specified functions in Ireland i.e. provided that the member is not working for the relevant period of time. In order to be granted an adjustment, QFAs must complete a Pro Rata Adjustment Form (available in Appendix B) and return it to their Administrator (either LIA or the Institute of Bankers as appropriate). QFAs who have been granted a pro rata adjustment in CPD hours will not be required to comply with the requirement to complete at least one hour of CPD relevant to each of the categories of product in respect of which he/she is accredited or the requirement to complete at least one hour of CPD which relates to Ethics in the year the pro rata adjustment is granted.

QFAs who have been granted a pro rata adjustment in hours for part of a year must still make an annual return of hours completed for the remainder of that year by 31 January (of the following year). LIA will not be held responsible for returns not received due to incorrect correspondence address held on our database i.e. correspondence being forwarded to member’s Company email or postal address. All QFAs must ensure to update their contact details if on leave from their employment due to statutory leave or long term illness.
(i) Statutory Maternity/Parental/Adoption/Carer’s Leave

There will be a pro-rata adjustment in CPD requirements for those taking statutory maternity leave (current maximum 42 weeks i.e. up to 26 weeks paid and up to 16 weeks unpaid leave), statutory adoption leave (current maximum 40 weeks i.e. up to 24 weeks paid and up to 16 weeks unpaid leave), statutory block parental leave or statutory carer’s leave. The adjustment will be given for paid and unpaid statutory leave only i.e. does not include holidays, additional unpaid leave or career break. QFAs should contact their Administrator in advance of taking such leave, to apply for a temporary exemption from CPD activity for the duration of the leave. A QFA out of work on statutory leave for more than 12 months may be required to complete ‘catch-up’ hours on their return to work.

(ii) Illness

Brief periods of absence due to illness etc. will not entitle a QFA to any adjustment in CPD requirements. However, those out of work due to long-term illness (two months or more) may apply for a pro-rata reduction in requirements subject to medical certification of the illness. A QFA out of work on long-term illness for more than 12 months may be required to complete ‘catch-up’ hours on their return to work.

(iii) Circumstances where a Pro Rata Adjustment of Hours will NOT Apply

A pro rata adjustment of hours will not apply in the following circumstances:

(a) Part-time work / job sharing

(b) Holidays - including where taken immediately prior to or following maternity/adoption/parental/carer’s leave.

(c) Retirement - where the member still wishes to retain the QFA designation.

(d) Redundancy/Unemployment - where the member still wishes to retain the QFA designation for use at any point in the future.

(e) Career Break
    A QFA who chooses to take a career break (or sabbatical leave) will not receive any adjustment in CPD requirements and will be required to participate fully in the CPD scheme.

The MyCPD online modules, available via www.mycpd.ie, currently offers more than 20 modules, each counting for up to 2 hours. The existing modules will be continuously updated and may be re-taken by QFAs to earn CPD hours in a new CPD year (provided 6 months have passed since the previous completion). This, coupled with The QFA Board’s CPD Annual Update document (reading and assimilation of which allows QFAs to earn 4 hours CPD each year), make it possible for a QFA to fully participate in the CPD scheme no matter where in the world they are.

15. Newly-Qualified Members - Application for Designation

(i) Application on Qualification

Newly qualified persons will be invited, by either LIA or the Institute of Bankers, to apply for the QFA designation when final results are issued by the relevant Examination Board. All newly-qualified individuals are advised to apply for the QFA designation on receipt of this invitation, including those not currently working in retail financial services or in the financial services industry. The QFA designation meets the Central Bank’s Minimum Competency Code for advising on/selling certain retail financial products and/or for undertaking certain specified functions.
(ii) Late Application

Persons who do not apply for the designation following qualification by the closing date for application and who wish to apply at a later date will be considered on a case-by-case basis and will be subject to the QFA Board late application rules as follows:

- Completion of any shortfall* in CPD requirements (in addition to the requirements for the year of joining), where relevant
- Payment of backdated membership fees, where relevant
- €100 late designation application fee (where a CPD annual return has been missed).

Alternatively, a person may elect to complete the Regulation module and examination (no late application fee or backdated membership fees apply in this case).

*A person with a shortfall in CPD requirements may apply to be included in the CPD scheme as a ‘suspended’ member (but will not have the QFA designation awarded) in order to complete the CPD shortfall (annual fees are payable while a suspended member of the scheme). A suspended member will only be included in his/her regulated firm’s Register of Accredited Persons once he or she is in compliance with the CPD requirements (i.e. joins as a full member of the CPD scheme and is awarded the QFA designation). A person will be given credit for any verified CPD completed in the period prior to joining the CPD scheme relevant to the category(s) of product they are qualified in.

A person will be admitted to the QFA scheme as a full member and will have the QFA designation awarded once he or she is in compliance with the CPD requirements i.e. has completed any shortfall in CPD requirements or has passed the Regulation examination.

16. Newly-Qualified Members - Commencement of CPD

A person who qualifies as a QFA during the course of the year will be required to commence CPD activity following receipt of final results. CPD requirements will be adjusted on a pro rata basis for such members as follows:

(i) Qualified following January – July Examination Boards:
- 4 CPD hours to be completed by 31 December of that year (i.e. year of qualification). QFAs will not be required to comply with the requirement to complete at least one hour of CPD relevant to each of the categories of product in respect of which he/she is accredited or the requirement to complete at least one hour of CPD which relates to Ethics in the year of qualification. The full CPD requirements, as set out in section 9 ‘Annual CPD Requirements’, will apply the following year i.e. in the first full CPD year.

(ii) Qualified following August – December Examination Boards:
- Commence CPD on the 1st January of the following year with the full annual requirement of 15 CPD hours, as set out in section 9 ‘Annual CPD Requirements’, to be completed by 31 December of that year.

17. Other Designations

QFAs who also hold the CUA designation are only required to make one CPD Annual Return for both designations, however they must ensure that at least 1 hour CPD is completed for each of the categories of products in respect of which the QFA and CUA designations are recognised. Other designations such as LCOI, Registered Stockbroker, Chartered Banker, CIP etc. are required to make an annual return of CPD hours for each separate designation held. In many cases, the CPD hours completed for the QFA designation may also count for other designations (please note that the reverse is not always true). Members should check with their Administrator in the event of any queries on qualifying hours.
18. QFAs not working in the Financial Services Industry

QFAs who no longer work in retail financial services or the financial services industry are required to comply with the CPD requirements if they wish to retain their QFA designation for current or future use. The QFA designation meets the Central Bank’s Minimum Competency Code for advising on/selling certain retail financial products and/or for undertaking certain specified functions. Members who do not comply with the CPD requirements will be subject to the procedure outlined in section 22. ‘Failure to Comply’.

19. Keeping Records & Supporting Documentation

Each QFA is responsible for keeping his / her own records in relation to CPD undertaken. The QFA Board has produced a record sheet to assist QFAs in this task (see Appendix C).

LIA strongly advise members to use the online tool to manage and log their CPD.

QFAs are also required to keep supporting documentation as evidence of attendance at events or completion of a course e.g. attendance sheets, certificates of attendance, certificates of completion, computer printout/record of completion, written confirmation from employer etc.

It is essential to keep personal records and supporting documentation, as members will be required to present original versions of them should they be the subject of an audit at any stage (see section 21. ‘Audit’). The Administrators reserve the right to verify the information contained in the records, including the right to contact any of the organisations / people listed in a member’s records.

Such records and documentation should be retained indefinitely

20. Annual Returns

QFAs must make their Annual Return online. Every QFA Member is obliged to make an Annual Return by 31st January every year declaring:

a) the approved events that make up their CPD Hours for the previous calendar year.ie 1st January to the 31st December)

b) that the hours completed conform to the requirements (see section 9 ‘Annual CPD Requirements’) and the criteria set by The QFA Board (see section 24. ‘QFA Board Criteria in Relation to Awarding CPD Credit’).

Late Annual Returns (i.e. those received within two weeks after the closing date) will incur a €100 late return administration fee and will not be processed without payment of this fee.

Thereafter, anyone who has not made an Annual Return will be considered not to have complied with the CPD requirements and will be subject to the procedure outlined below under section 22. ‘Failure to Comply’.

CPD hours must be completed by 31st December each year. Hours completed in January will count for that CPD year and cannot be counted for the previous CPD Year e.g. hours completed in January 2013 will count for the 2013 CPD year and not 2012.

21. Audit

The Administrators will audit a random sample of member returns each year in order to verify that the information received is correct. Should a member be the subject of an audit they will be required to present supporting documentation confirming attendance/completion, for each CPD event (external to the Institute) in their return e.g. attendance sheets, certificates of attendance, certificates of completion, computer printout/record of completion, written confirmation from employer etc.
Details of the records will then be verified, as seen fit by the Administrators (including, if deemed necessary, contacting any of the organisations / people listed in the records). Audits are predominantly random and so a member may be the subject of an audit on any number of occasions (successive or intermittent) and must comply by furnishing the Administrators with appropriate records / proof of CPD completed during the previous calendar year.

22. Failure to Comply

Any QFA who:
   a) Fails to make an annual return and / or
   b) Fails to co-operate when audited and / or
   c) Fails to pay the membership/designation fees of their professional body and /or
   d) Makes a false or seriously incorrect annual return

will be deemed to be in breach of the CPD scheme requirements and thus in breach of one of the primary conditions of holding the QFA designation (see Introduction on page 3). This will result in the removal of the QFA designation from the person.

Any QFA who fails to complete the CPD requirement as set out in section 9 in any given year (i.e. fails to complete the required hours, fails to complete one hour for each category of retail financial product in which he/she is accredited or fails to complete one hour related to ethics) will, in the first instance, be given a grace period to ‘catch up’ and complete any shortfall in CPD requirements by 31st December of the following CPD year (in addition to the requirements for that CPD year). A five-year shortfall warning penalty will also be applied to the members record i.e. if the member fails to complete the CPD requirements as set out in section 9 in any of the five years following the first failure to comply the QFA designation will be removed.

Persons who lose their QFA designation will automatically be removed from the Online Register of QFAs and may not be in a position to advise on or sell certain retail financial products and/or undertake certain specified functions under the Central Bank’s Minimum Competency Code.

Persons who have their QFA designation removed for non-compliance must be removed from their regulated firm’s Register of Accredited Persons and can only be restored once he or she is again in compliance with the CPD requirements.

23. Reinstatement of the QFA Designation

A person who has had their QFA designation removed due to failure to comply with the CPD regulations is advised to apply to reinstate their designation as a matter of urgency. Such a person should state their case in writing to their Administrator. Requests to reinstate the QFA designation are considered on a case-by-case basis.

A reinstated person will be subject to the QFA Board reinstatement rules as follows:

- Completion of any shortfall* in CPD hours (in addition to the requirements for the year of reinstatement), where relevant
- Payment of backdated membership fees, where relevant
- €100 reinstatement fee (where a CPD annual return date has been missed or two shortfalls have occurred within a 5 year period)

Alternatively, a person may elect to complete the Regulation module and examination (no reinstatement fee or backdated membership fees apply in this case).

*A person with a shortfall in CPD requirements may apply to be included in the CPD scheme as a ‘suspended’ member (but will not have the QFA designation reinstated) in order to complete the CPD shortfall (annual fees are payable while a suspended member of the scheme). A suspended member will only be restored to his/her regulated firm’s Register of Accredited Persons once he or she is again in compliance with the CPD requirements (i.e. is reinstated as a full member of the CPD scheme and has the QFA designation reinstated). A person will be given credit for any verified CPD completed in the period prior to reinstatement to the CPD scheme relevant to the category(s) of product they are accredited in.
A person will be reinstated to the CPD scheme as a full member and will have the QFA designation reinstated once he or she is again in compliance with the CPD requirements i.e. has completed any shortfall in CPD requirements or has passed the Regulation examination.

Where a member has the QFA designation removed having being found to have made a false or seriously incorrect return of hours, he/she is deemed in serious breach of the rules of the QFA scheme and will not be eligible for reinstatement i.e. he/she will be permanently excluded from holding the QFA designation.

24. QFA Board Criteria in Relation to Awarding CPD Credit

The QFA Board has adopted the following definition of CPD:

The content of CPD hours must be directly relevant to providing advice to consumers on retail financial products, which, in the context of the Minimum Competency Code, means that the content must be related to the knowledge requirements set out in the Minimum Competency Code for the categories of Retail Financial Product in respect of which the QFA designation is recognised.

This definition reflects the key requirement in relation to CPD set out in the Minimum Competency Code that “the content of the CPD hours must be directly relevant to the functions of the qualified or grandfathered person and the CPD material for qualified persons or grandfathered persons must therefore be related to the competencies set out in Appendix 3’ (of the Code).

The key activities in the context of the QFA designation are “providing advice to consumers on retail financial products” and “arranging or offering to arrange retail financial products for consumers”. It follows that, for QFAs, the content of the CPD hours must be directly relevant to providing advice to consumers on Retail Financial Products.

The word “directly” is important in the context of the definition of CPD. The view of the QFA Board is that the requirement relates to the specific technical knowledge needed to provide advice to consumers on Retail Financial Products, and that it does not include wider skills (such as sales influencing skills and time management skills, for example).

This view is reinforced by the overriding objective of the CPD scheme, which is to keep the qualification up to date and ensure that those who qualified in the past are as knowledgeable as those qualifying today.

QFAs must complete at least one hour of CPD each year relevant to each of the five categories of product in respect of which the QFA designation is recognised (and the Insurance categories if also accredited in these product categories). Where a CPD event/course is relevant for more than one category, a person completing such a course/event will be deemed to have met the requirement in respect of each category. QFAs must also complete at least one hour of CPD each year which relates to Ethics.

QFAs are accredited to advise on five of the eight categories of retail financial products (or seven including Personal General Insurance and Private Medical Insurance in the case of QFAs who also hold the designation APA (Personal General Insurance)). QFAs who do not hold the designation APA (Personal General Insurance) are not accredited under the Minimum Competency Code to advise on or sell Personal General Insurance and Private Medical Insurance and therefore should not undertake CPD in these subject areas (unless grandfathered in same).

CPD needs to be widely spread, to ensure that the holders of recognised qualifications maintain and enhance their knowledge across a range of topics. Consequently, the maximum number of hours that will be awarded (accredited) to events/activities is as follows:

- any single event/activity/topic - 4 hours
- any single tested online course/module - 2 hours
- any single examination module (must be a minimum of 3 ECTS credits on a programme leading to a qualification at level 6 or above on the National Framework of Qualifications and CPD credit is awarded in the year the examination is passed) - 8 hours

All courses / seminars / online training must meet the following QFA Board criteria in order to count towards CPD:
• The material or content must be directly relevant to advising on/selling retail financial products under the Minimum Competency Code i.e. be related to the minimum competencies set out in Appendix 3 of the Code for the category(s) of products in respect of which the QFA is recognised (see Appendix E).
• Course presenters must have qualifications and/or knowledge and experience appropriate to the subject(s) being presented.
• The presentation must be conducted in an appropriate location (i.e. proper conference/business/in-house facility).
• The presentation/course must be at least a half hour in duration.
• If electronically delivered, the event/activity must meet the criteria described in section 25. 'Award of CPD Hours to Electronically Delivered Events and Activities' below.

Only LIA, the Institute of Bankers and (in certain cases) the Insurance Institute of Ireland (III) may accredit events and activities (including in-house training courses that require CPD accreditation) for CPD hours in respect of the QFA designation (as per section 1.7.2 (page 12) of the Central Bank's Minimum Competency Code document) and they will do so in accordance with the principles and criteria set out above.

25. Award of CPD Hours to Electronically Delivered Events and Activities

In considering whether or not to grant CPD hours to e-learning courses and other electronically delivered events and activities, the relevance of their content is evaluated in the same way as other activities and events. In order to assess the level of active involvement required of its participants, the QFA Board also examines carefully the learning approach and structure of electronically delivered events and activities. In this regard, to be awarded CPD hours:

Each E-learning course or module must:

• Be generally well-designed (e.g., divided into individual lessons or units of reasonable length, require little or no scrolling within pages, be easy to read and navigate).
• Be highly interactive, requiring regular interaction between the course and the learner (through frequent exercises, questions, links to websites or feedback etc.).
• Incorporate a reasonable diversity of delivery approaches and/or media (e.g., appropriate combinations of text/slides, animation, pop-up pages, audio or video, attachments etc.).
• Ensure that the module is designed so that individuals cannot bypass the learning material and go straight to the test.
• Ensure that individuals spend a comparable amount of time completing a module as the accreditation awarded for the module i.e. if a module is accredited for 2 hours, then the module should take an individual 2 hours to complete, inclusive of the test.
• Include computer-based testing to provide evidence that a learner has assimilated the knowledge and skills contained in the course (the question bank should contain a greater number of questions than the test in the event that a person fails the test and has to resit to ensure that a predominantly different set of questions is presented in a resit test). Please see the following matrix as a guide:

<table>
<thead>
<tr>
<th>Duration of Module</th>
<th>2 hr</th>
<th>1.5 hr</th>
<th>1 hr</th>
<th>½ hr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Questions Required in Bank of Questions (Minimum)</td>
<td>48</td>
<td>36</td>
<td>24</td>
<td>12</td>
</tr>
<tr>
<td>Number of Questions Required in Test/Exam (Minimum)</td>
<td>24</td>
<td>18</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>Pass Rate (Minimum)</td>
<td>16</td>
<td>12</td>
<td>8</td>
<td>4</td>
</tr>
</tbody>
</table>

A minimum pass rate of 65% or over is recommended.

• Be capable of providing appropriate confirmation that the learner has successfully completed the test.
• Include a minimum of a half hour and a maximum of two hours of relevant learning (including tests).

Events delivered using Web Casting and Web/Tele-Conferencing and similar technologies must:
• Be transmitted ‘live’ (to allow for interaction between learner and presenter). Presentations which are not viewed/attended ‘live’ will not be accredited for CPD hours.
• Be generally well-designed and create a productive learning experience (e.g. participants at remote locations must be able to hear and/or see the presenters, while simultaneously viewing the presenters’ materials (e.g. slides or simulations)).
• Provide opportunities for all participants to put questions to and engage in discussions with presenters (events where interaction is limited to submission of written questions are normally not awarded CPD hours).
• Provide a means for course organisers to verify those participating at each venue (to include verification that the participant attended for the full duration e.g. log-in and log-out confirmation).
• Include provision of electronic or hard-copy confirmation of attendance for the full duration to participants.
• Include a minimum of a half hour of relevant learning.

26. Definition of CPD

CPD can be defined as ‘active’ participation in an activity, the subject matter of which meets the QFA Board criteria (see section 24. ‘QFA Board Criteria in Relation to Awarding CPD Credit’) for awarding CPD credit, and includes attendance at seminars/training events, workshops, tested e-learning courses/modules, courses and other events of equivalent standing.

CPD does not necessarily mean attendance at external seminars - relevant in-house training (including product training) and approved tested online training may also earn credit provided it meets the above criteria.

General reading and research will not count for CPD hours.

27. Accreditation of Events for CPD Hours

All CPD hours must be accredited by the Administrators, e.g. the CPD Administration staff of LIA, the Institute of Bankers in Ireland, or (in certain cases) the Insurance Institute of Ireland as appropriate. Thus, members should complete the CPD Accreditation Request Form (see Appendix A) and return it to the Administrators, as appropriate.

It is recommended that one contact person in each company submits all requests for accreditation of relevant in-company events/training on behalf of all staff to the relevant Administrator. Members are advised to check with their training dept./intranet site for further information on their company accreditation procedures prior to submitting their application.

Events run by LIA, the Institute of Bankers, or the Insurance Institute of Ireland will advise of the hours accredited for the QFA designation. MyCPD online modules are also accredited for CPD hours and will be automatically recorded in the QFAs Online CPD Record on successful completion of relevant modules.

All CPD events, courses and training etc. are accredited for one CPD year only and must be re-accredited in each CPD year.

28. Examples of CPD

Some general examples of activities normally expected to come within the definition of CPD are given below. Members are required to seek accreditation (see section 27. ‘Accreditation of Events for CPD Hours’) of all CPD hours.
• Relevant in-house training programmes
• Relevant seminars run by LIA, The Institute of Bankers in Ireland, or The Insurance Institute of Ireland
• Relevant seminars of other professional bodies
• Relevant online training courses – must include test to confirm learning (e.g. those approved for MyCPD). A maximum of 2 hours is accredited for any single online course/module. See section 25. ‘Award of CPD Hours to Electronically Delivered Events and Activities’.
• Some LIA, Institute of Bankers and Insurance Institute of Ireland examinations. Hours are awarded on successful completion of examinations in the year the examination is passed – no hours for study or examination preparation.
• Relevant examinations of other professional bodies or other academic examinations (must be a minimum of 3 ECTS credits on a programme leading to a qualification at level 6 or above on the National Framework of Qualifications). Hours are awarded on successful completion of examinations in the year the examination is passed – no hours for study or examination preparation.
• Life Assurance seminars
• General Insurance seminars - for QFAs with APA (Personal General Insurance)
• Shares & Bonds seminars
• Pension seminars
• Investment seminars
• Finance Bill seminars
• Mortgage seminars
• Consumer credit (personal lending) seminars
• Product training (formal training session, as opposed to a more social ‘product launch’ situation)
• Tax updates
• Regulatory training e.g. Anti-money Laundering, Consumer Protection Code, Data Protection Act
• Ethics training
• Relevant lecture/seminar presentation (only the first presentation of a lecture/seminar will earn credit, research and preparation for the lecture/seminar cannot be included)
• Reading and assimilation of the CPD Annual Update Document (see section 29. below).

See also relevant topics in Appendix E ‘Minimum Competencies for Retail Financial Products.’ The content of CPD hours must be related to the competencies/knowledge requirements set out in the Minimum Competency Code for the categories of Retail Financial Product in respect of which the QFA designation is recognised.

CPD needs to be widely spread, to ensure that the holders of recognised qualifications maintain and enhance their knowledge across a range of topics. Members should ensure that they do not include events in their annual return that cover the same material e.g. an online Consumer Protection Code course and a face-to-face Consumer Protection Code seminar that cover the same material – only one event should be counted.

29. CPD Annual Update Document

The QFA Board publishes a "CPD Annual Update" of changes relevant to retail financial advice. Currently, full reading and assimilation of the contents of this document counts for four hours CPD annually. The document is made available on the LIA and Institute of Bankers websites - usually in August each year.

30. Excluded Activities

The following are examples of activities not considered to be formal/relevant, in that they do not meet The QFA Board’s criteria, and are therefore excluded from counting towards CPD:

• Study or examination preparation. CPD hours are awarded on successful completion of relevant examinations in the year the examination is passed.
• Normal working activities
• General software / application training (e.g. Microsoft Excel, Access etc)
• Internet training
• Sales techniques training
• General communications training
• ‘Soft-skills’ / general training (such as programmes or courses on telephone techniques, customer care, time management, negotiation skills, leadership/supervisory skills, writing/communication skills etc.)
• Product launches or other primarily social occasions (formal product training sessions may earn credit)
• ‘Motivational’ seminars
• Reading and research
• DVDs, TV programmes
• Online training that is not tested
• Writing/research for thesis, study manuals, books and other publications.

31. CPD Programme

LIA and The Institute of Bankers offer their members a comprehensive and cost effective CPD programme to help them meet the annual CPD requirements. The content of CPD hours must be related to the knowledge requirements set out in the Minimum Competency Code for the categories of Retail Financial Product in respect of which the QFA designation is recognised. The programme includes:

(i) Online Courses – MyCPD
The MyCPD portal available via www.mycpd.ie offers QFAs a programme of online courses covering a wide range of topics such as Personal Lending, Home Loans, Pensions, Regulation, Ethics, and Insurance etc. There are currently more than 20 courses available online, each counting for up to 2 CPD hours. There is no extra cost involved (included in annual membership fee). As courses are updated on an annual basis, courses completed in previous CPD years can be re-taken to count for CPD hours in a new CPD year provided 6 months have passed since the course was last completed. Members can access www.mycpd.ie using their LIA membership number and password.

(ii) CPD Seminars
Seminars are organised by the professional bodies in a number of centres around the country in Spring/Summer and Autumn/Winter each year. Members will be provided with details during the CPD year.

(iii) Accreditation of In-company and Other Events for CPD Hours
As described earlier in section 27. ‘Accreditation of Events for CPD Hours’, Administrators, the CPD Administration staff of LIA or the Institute of Bankers in Ireland- , as appropriate, accredit relevant in-company training and other relevant events for CPD hours. Members should complete and return the CPD Accreditation Request Form (see Appendix A) to the Administrators, as appropriate.

(iv) Qualifications Programmes
Many of our qualification modules are accredited for CPD hours. The content of CPD hours must be related to the knowledge requirements set out in the Minimum Competency Code for the categories of Retail Financial Product in respect of which the QFA designation is recognised.

32. Costs

There is currently no additional cost to members for participation in the CPD scheme. However, members should note that individual events, seminars, special publications etc. do from time-to-time involve a charge that the member pays to the association / body running the event or publishing the material.

33. Provision of Information to Employers and the Central Bank

The information provided by you on your QFA designation application form and generated during the course of your CPD membership may be used and disclosed by your professional body for all purposes which are reasonably incidental to the administration of your CPD registration and ongoing membership. Those purposes may include the disclosure of CPD hours to your employer and such other information as may be necessary to enable your employer to maintain a Register of Accredited Persons and for other regulatory or compliance purposes. Your information may also be disclosed to the Central Bank for Minimum Competency requirements. You are entitled to ask for a copy of the personal data that your professional body holds about you and to have any inaccuracies in such personal data amended or erased. You may do so by writing to your professional body as appropriate.
34. Change of Personal Details

QFAs are required to advise their professional body of any changes to mailing address, e-mail address, contact phone number, company details etc.

35. Contact Details

<table>
<thead>
<tr>
<th></th>
<th>LIA QFA Members</th>
<th>Institute of Bankers’ QFA Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPD Helpline:</td>
<td>01-4563890</td>
<td>01-611 6500</td>
</tr>
<tr>
<td>E-Mail:</td>
<td><a href="mailto:cpd@lia.ie">cpd@lia.ie</a></td>
<td><a href="mailto:cpd@bankers.ie">cpd@bankers.ie</a></td>
</tr>
<tr>
<td>Fax:</td>
<td>01-455 4530</td>
<td>01-611 6565</td>
</tr>
<tr>
<td>Post:</td>
<td>183 Kimmage Road West, Dublin 12</td>
<td>1 North Wall Quay, Dublin 1</td>
</tr>
<tr>
<td>Website:</td>
<td><a href="http://www.lia.ie">www.lia.ie</a></td>
<td><a href="http://www.bankers.ie">www.bankers.ie</a></td>
</tr>
</tbody>
</table>

36. Appendices

A. CPD Accreditation Request Form
B. Pro Rata Adjustment Form
C. CPD Personal Record Sheet
D. Product Categories that QFAs are Accredited in under Minimum Competency Code
E. Minimum Competencies for Retail Financial Products
Appendix A

CPD ACCREDITATION REQUEST FORM - 2012

Please note

- This form must be completed for all CPD events held externally to LIA e.g. required for all in-company training and events attended outside of LIA.
- We will give the activity due consideration and revert to you within 10 working days of receipt of the application.
- CPD requests will be dealt with in the order that they are received.
- Applicants may be requested to supply a copy of the course material e.g. slides, course outline, syllabus, agenda.
- Events must be approved for CPD hours in each calendar year. Events should be re-submitted if running in a new CPD year.
- The content of CPD hours must be directly relevant to providing advice to consumers on retail financial products, which, in the context of the Minimum Competency Code, means that the content must be related to the knowledge requirements set out in the Minimum Competency Code for the categories of Retail Financial Product in respect of which the QFA designation is recognised.

Please complete ALL Sections (indicating ‘N/A’ if a section does not apply)

1) Please give a broad description of the event (e.g. Seminar/Training event, E-Learning courses/modules, Examination (Qualification) etc)

(2) Company or Body organising the activity/event

(3) Subject Matter

(4) Title of Activity/Event
(5) **Designation Relevance**
Due to the importance that the Central Bank places on the relevance of CPD, LIA requires you to provide information in relation to the category(ies) for which CPD applies for this event. For convenience, we list below the categories of Retail Financial Products (1-8) as set out in the Central Bank’s Minimum Competency Code.

1. Life Assurance
2. Pensions
3. Savings and Investment
4. Personal General Insurance
5. Commercial General Insurance
6. Private Medical Insurance and Associated Insurances
7. Housing Loans, Home Reversion Agreements and Associated Insurances
8. Consumer Credit and Associated Insurances

<table>
<thead>
<tr>
<th>No.</th>
<th>Topics covered in Presentation</th>
<th>Category of Relevance (Enter No. 1-8 from above list)</th>
<th>Duration of Topic</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

(6) **Could this Activity/Event be considered a Sales Pitch**

(7) **State the target audience for this Activity/Event**
(8) **Presenter/Tutor(s)**

(9) **Venue(s)**

(10) **Dates**

(11) **Duration of Activity/Event (presentations and Q&A only)**

(12) **Activity/Event Times**

<table>
<thead>
<tr>
<th>Activity/Event Times</th>
<th>From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td>Event Start Time</td>
<td></td>
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<tr>
<td>Coffee/Tea Break</td>
<td></td>
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<tr>
<td>Lunch Break</td>
<td></td>
<td></td>
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<tr>
<td>Afternoon Break</td>
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<tr>
<td>Event End Time</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(13) **Any Other Relevant Information or Comments**
(14) DISCLAIMER (please read and sign where indicated):

I understand and accept that any CPD credit awarded for the above event/training programme will be based on the information I have submitted in relation to the duration of the presentation(s) and its/their content. Should either of these criteria change at any stage (e.g. presentations are shortened, content is altered, refreshment breaks incorporated), I will advise the LIA and re-apply for CPD credit. I also understand and accept that LIA’s CPD Department will not stand over CPD hours awarded, where such changes have occurred after the award was given, and that they reserve the right to refuse CPD claims made by individuals attending an event that has been subject to such changes.

Signed:  

Date of enquiry:  

Your Name (please print):  

Membership Number:  

Email Address:  

Daytime Phone Number:  

Return to LIA by: 
Email:  cpd@lia.ie  
Fax:  01 – 4554530  
Post:  LIA, CPD Approval Team, 183 Kimmage Road West, Dublin 12.
### CPD ACCREDITATION REQUEST FORM
for E-Learning Courses and Modules

#### Section A: E-learning courses/modules

1. Please provide the web address or attach the CPD Rom to allow LIA to review the course and related assessment:

2. Authors or designers of course/module

3. Estimated time for learner to undertake the course/module:
   - Excluding assessment
   - Including assessment

4. How many questions in the total test Question Bank (should be greater than the test – see Q5 below)?

5. How many questions in each test:

6. What is the pass mark?

7. How is confirmation of successful completion provided to learner?

#### Section B: Webcasting and Tele/Video-conferencing and similar technologies

1. Course delivered by (please tick)
   - Webcast
   - Teleconference

2. Is the course material transmitted live?
   - Yes
   - No

3. Describe briefly the arrangements to ensure all candidates can:
   - a) See and/or hear the presenter
   - b) See the presenters’ material

4. How can all participants put questions to and otherwise interact with the presenters/other participants?

5. Can the organiser confirm attendance for the full duration for each participant i.e. can the organiser confirm log-in and log-out times for each participant?
   - Yes
   - No

6. Is confirmation of attendance for the full duration available to each participant upon request?
Appendix B

Application for Pro-Rata Adjustment of CPD Requirements

Name: _____________________________________________  LIA Membership No: _______________

Email Address: ______________________________________  Contact Tel No. _____________________

Reason for application: Maternity:              Illness:             Other (please specify) _________________

Maternity Leave (maximum 26 weeks statutory leave and 16 weeks unpaid leave)
from: ________________________ to:  _____________________

Illness (two months or more) from:     ___________________       to: ______________________

Details of Illness:
_________________________________________________________________________________
_________________________________________________________________________________
_________________________________________________________________________________

Other Leave including Adoptive Leave/Carer’s Leave/Parental Leave
from: _____________________    to:     _____________________

In the case of Parental Leave: How many children 8 years of age or younger : ____________
(Maximum Statutory 14 weeks per child in a 12 month period)

Doctors Report Attached (required for Illness):   Yes          No

If no, please give reason:
_________________________________________________________________________________

Letter from Employer Attached (required for all): Yes                 No

If no, please give reason:___________________________________________________________________________

Signature (Member):____________________________ Date: _______________________________

Company Name:  __________________________________________________________________

Signature of Line Manager: ____________________________

Print name (Line Manager): ____________________________

Return by:  Email: cpd@lia.ie,  Fax: 01 – 4554530,  Post: LIA, CPD Team, 183 Kimmage Road West, Dublin 12.
Appendix C

CPD Personal Record Sheet - 2012

Name: ___________________________    Membership Number: ___________________________

Professional Institute / Association:
(please specify whether LIA, Institute of Bankers or Insurance Institute of Ireland member)

Notes:
- It is essential to keep personal records and supporting documentation as you will be required to present original versions of them should you be the subject of an audit.
- If you choose to use an alternative means of keeping records (e.g. computer spreadsheet) you must at least incorporate the headings below
- As outlined in the CPD Guidelines document you should only count the number of hours actively involved in a CPD activity. Time spent travelling to / from a venue, or ‘social’ time before / after an event/meeting etc. will not count
- Members must complete at least one hour of CPD each year relevant to each of the categories of product in respect of which they are accredited. At least one hour of CPD is also required in Ethics.

<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
<th>Subject(s) covered / Other details</th>
<th>No. of hours</th>
<th>Category of Relevance (Enter No. 1-8)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>
## Appendix D – Recognised Qualifications

<table>
<thead>
<tr>
<th>Category of retail financial product</th>
<th>Qualifications which are recognised in respect of retail financial products and associated specified functions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Life Assurance</td>
<td>• Qualified Financial Adviser (<a href="#">Institute of Bankers School of Professional Finance, LIA and The Insurance Institute of Ireland</a>)</td>
</tr>
<tr>
<td></td>
<td>• Member, Associate or Fellow of the Irish Institute of Pensions Management (post 2006 syllabus)</td>
</tr>
<tr>
<td></td>
<td>• Accredited Product Adviser* (Life Assurance) (<a href="#">Institute of Bankers School of Professional Finance, LIA and The Insurance Institute of Ireland</a>)</td>
</tr>
<tr>
<td>2 Pensions</td>
<td>• Qualified Financial Adviser (<a href="#">Institute of Bankers School of Professional Finance, LIA and The Insurance Institute of Ireland</a>)</td>
</tr>
<tr>
<td></td>
<td>• Member, Associate or Fellow of the Irish Institute of Pensions Management (post 2006 syllabus)</td>
</tr>
<tr>
<td></td>
<td>• Accredited Product Adviser* (Pensions) (<a href="#">Institute of Bankers School of Professional Finance, LIA and The Insurance Institute of Ireland</a>)</td>
</tr>
<tr>
<td>3 Savings and Investment</td>
<td>• Qualified Financial Adviser (<a href="#">Institute of Bankers School of Professional Finance, LIA and The Insurance Institute of Ireland</a>)</td>
</tr>
<tr>
<td></td>
<td>• Member, Associate or Fellow of the Irish Institute of Pensions Management (post 2006 syllabus)</td>
</tr>
<tr>
<td></td>
<td>• Registered Stockbroker (<a href="#">Institute of Bankers School of Professional Finance</a>)</td>
</tr>
<tr>
<td></td>
<td>• Accredited Product Adviser* (Savings and Investments) (<a href="#">Institute of Bankers School of Professional Finance, LIA and The Insurance Institute of Ireland</a>)</td>
</tr>
<tr>
<td>4 Personal General Insurance</td>
<td>• Certified Insurance Practitioner (<a href="#">The Insurance Institute of Ireland</a>)</td>
</tr>
<tr>
<td></td>
<td>• Associate or Fellow of the Chartered Insurance Institute</td>
</tr>
<tr>
<td></td>
<td>• Accredited Product Adviser* (Personal General Insurance) (<a href="#">Institute of Bankers School of Professional Finance, LIA and The Insurance Institute of Ireland</a>)</td>
</tr>
<tr>
<td>5 Commercial General Insurance</td>
<td>• Certified Insurance Practitioner (<a href="#">The Insurance Institute of Ireland</a>)</td>
</tr>
<tr>
<td></td>
<td>• Associate or Fellow of the Chartered Insurance Institute</td>
</tr>
<tr>
<td></td>
<td>• Accredited Product Adviser* (Commercial General Insurance) (<a href="#">Institute of Bankers School of Professional Finance, LIA and The Insurance Institute of Ireland</a>)</td>
</tr>
<tr>
<td>6 Private Medical Insurance and Associated Insurances</td>
<td>• Certified Insurance Practitioner (<a href="#">The Insurance Institute of Ireland</a>)</td>
</tr>
<tr>
<td></td>
<td>• Associate or Fellow of the Chartered Insurance Institute</td>
</tr>
<tr>
<td></td>
<td>• Diploma in Private Medical Insurance (<a href="#">The Insurance Institute of Ireland</a>)</td>
</tr>
<tr>
<td></td>
<td>• Accredited Product Adviser* (Personal General Insurance) (<a href="#">Institute of Bankers School of Professional Finance, LIA and The Insurance Institute of Ireland</a>)</td>
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<tr>
<td></td>
<td>• Accredited Product Adviser* (Private Medical Insurance) (<a href="#">Institute of Bankers School of Professional Finance, LIA and The Insurance Institute of Ireland</a>)</td>
</tr>
</tbody>
</table>
### Appendix D – Recognised Qualifications

| 7 | Housing Loans, Home Reversion Agreements and Associated Insurances | - Qualified Financial Adviser (*Institute of Bankers School of Professional Finance, LIA and The Insurance Institute of Ireland*)  
- Accredited Product Adviser* (Loans) (*Institute of Bankers School of Professional Finance, LIA and The Insurance Institute of Ireland*) |
|---|---|---|
| 8 | Consumer Credit and Associated Insurances | - Qualified Financial Adviser (*Institute of Bankers School of Professional Finance, LIA and The Insurance Institute of Ireland*)  
- Accredited Product Adviser* (Loans) (*Institute of Bankers School of Professional Finance, LIA and The Insurance Institute of Ireland*)  
- Accredited Product Adviser* (Consumer Credit) (*Institute of Bankers School of Professional Finance, LIA and The Insurance Institute of Ireland*) |

<table>
<thead>
<tr>
<th>Credit Unions</th>
<th>Additional Qualifications recognised by the Central Bank for credit unions</th>
</tr>
</thead>
</table>
| Credit Union acting as an insurance intermediary | - Credit Union Adviser (*LIA and Credit Union Development Association*)  
- Advanced Certificate in Credit Union Practice (*University of Ulster and Irish League of Credit Unions*) |

<table>
<thead>
<tr>
<th>Category of specified function</th>
<th>Additional qualifications recognised by the Central Bank in respect of specified functions</th>
</tr>
</thead>
</table>
| 1 | Assisting consumers in the making of a claim under contracts of life assurance or Determining the outcome of claims by consumers arising under contracts of life assurance | - Associate or Fellow of the Chartered Insurance Institute  
- Associate or Fellow of the Society of Actuaries in Ireland  
- Diploma in Life and Disability Underwriting (*The Insurance Institute of Ireland*)  
- Diploma in Life and Disability Claims (*The Insurance Institute of Ireland*)  
- Solicitor Member of the Law Society of Ireland  
- Barrister-at-Law called to the Bar of Ireland |
| 2 | Assisting consumers in the making of a claim under contracts of general insurance or Determining the outcome of claims by consumers arising under contracts of general insurance | - Associate or Fellow of the Chartered Institute of Loss Adjusters  
- Associate or Fellow of the Society of Actuaries in Ireland  
- Certified Diploma in Loss Adjusting (*The Insurance Institute of Ireland*)  
- Diploma in Loss Adjusting (*The Insurance Institute of Ireland*)  
- Solicitor Member of the Law Society of Ireland  
- Barrister-at-Law called to the Bar of Ireland |
### Appendix D – Recognised Qualifications

<table>
<thead>
<tr>
<th>3</th>
<th>Adjudicating on any complaint communicated to a regulated firm by a consumer which relates to advice about a retail financial product provided to that consumer or the arranging of a retail financial product for that consumer or the activities at 1 or 2 above.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Licentiate of the Association of Compliance Officers in Ireland</td>
</tr>
<tr>
<td></td>
<td>• Solicitor Member of the Law Society of Ireland</td>
</tr>
<tr>
<td></td>
<td>• Barrister-at-Law called to the Bar of Ireland</td>
</tr>
</tbody>
</table>

* The Accredited Product Adviser incorporates a number of previous recognised qualifications. Further information is available on the relevant professional educational bodies’ websites.
## Accredited Product Adviser Routes

<table>
<thead>
<tr>
<th>Qualification</th>
<th>Routes</th>
</tr>
</thead>
</table>
| 1 Accredited Product Adviser (Life Assurance) | - QFA Life Assurance plus QFA Regulation  
- Certified Insurance Practitioner plus QFA Life Assurance |
| 2 Accredited Product Adviser (Pensions) | - QFA Pensions plus QFA Regulation  
- Professional Certificate in Stockbroking\(^1\) plus QFA Pensions\(^2\)  
- Registered Stockbroker plus QFA Pensions\(^2\)  
- Certified Insurance Practitioner plus QFA Pensions\(^2\) |
| 3 Accredited Product Adviser (Savings and Investments) | - QFA Investment plus QFA Regulation  
- Professional Certificate in Stockbroking\(^1\)  
- Certified Insurance Practitioner plus QFA Investment |
| 4 Accredited Product Adviser (Personal General Insurance) | - The Nature of Insurance plus Compliance and Advice plus Personal General Insurance  
- Diploma in Private Medical Insurance plus Personal General Insurance  
- Qualified Financial Adviser plus Professional Certificate in General Insurance\(^3\) |
| 5 Accredited Product Adviser (Commercial General Insurance) | - The Nature of Insurance plus Compliance and Advice plus Commercial General Insurance  
- Diploma in Private Medical Insurance plus Commercial General Insurance  
- Qualified Financial Adviser plus Professional Certificate in General Insurance\(^3\) plus Commercial General Insurance  
- Qualified Financial Adviser plus The Nature of Insurance plus Commercial General Insurance |
| 6 Accredited Product Adviser (Private Medical Insurance) | - The Nature of Insurance plus Compliance and Advice plus Private Medical Insurance  
- Certificate in Private Medical Insurance (only for individuals holding QFA or grandfathered for other forms of insurance) |
| 7 Accredited Product Adviser (Loans) | - QFA Loans plus QFA Regulation  
- Professional Certificate in Mortgage Practice\(^4\)  
- Certified Insurance Practitioner plus QFA Loans |
| 8 Accredited Product Adviser (Consumer Credit) | - Professional Certificate in Consumer Credit |

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\(^1\) Formerly, ISE Certificate in Stockbroking, Registered Representative  
\(^2\) Or the Bridge Examination in Pensions (now discontinued)  
\(^3\) Formerly the Foundation Certificate in General Insurance Policies  
\(^4\) Formerly the Mortgage Diploma, Certificate/Specialist Certificate in Mortgage Practice
## Appendix E – Minimum Competencies for Retail Financial Products

### Retail Financial Product: Life Assurance

<table>
<thead>
<tr>
<th>SUBJECT MATTER</th>
<th>COMPETENCIES</th>
</tr>
</thead>
</table>
| 1. The concept of financial planning | √ To analyse the main generic types of life assurance savings, protection and investment needs a *consumer* may have at different life stages.  
√ To explain the concept of financial planning and assess the benefits it can provide to *consumers* in terms of meeting their financial plans and objectives. |
| 2. Legal principles | √ To explain the main elements of a valid contract of assurance, how a contract is discharged and the remedies for breach of contract.  
√ To illustrate the particular legal principles underlying life assurance policies, including in particular the principles of *insurable interest* and *utmost good faith*.  
√ To describe the main requirements which these legal principles impose on *consumers* effecting life assurance policies, including in particular the duty to disclose known material facts, and how these principles can impact on policy benefits.  
√ To interpret the concept of *agency* and define the main duties of an agent to his or her *principal* and discuss how an agency may be terminated. |
| 3. Life assurance protection policies | √ To explain, compare and contrast the main features, benefits, limitations and risks of the different generic types of life assurance protection policies.  
√ To discuss the typical explicit charges of the different generic types of life assurance protection policies.  
√ To identify the different ways in which a life assurance protection policy can be arranged and owned and assess the impact of each different arrangement on entitlement to benefit under the policy.  
√ To illustrate the fiscal treatment for the *consumer* of premiums and benefits under the different generic types of life assurance protection policies.  
√ To assess and explain the different risks for a *consumer* effecting a life assurance protection policy. |
| 4. The underwriting process | √ To explain the functions of the life assurance underwriting process and discuss the relationship between underwriting and the premium charged for life assurance benefits.  
√ To describe the typical underwriting process and associated requirements, including statutory restrictions, applicable to the effecting of a life assurance policy.  
√ To define what *reinsurance* is, explain why life assurance companies use reinsurance, and assess its potential impact on the underwriting process for life assurance policies. |
SUBJECT MATTER | COMPETENCIES
---|---
| ✓ To describe the main different types of reinsurance a life company can enter into, and the benefits of such reinsurance for the life assurance company.

5. The claims process | ✓ To explain the main requirements on both the claimant and the life assurance company throughout the claims settlement process under the different generic types of life assurance policies.

6. Wills and estates | ✓ To differentiate between joint tenants and tenants in common ownership of assets.

| ✓ To identify the main legal requirements which apply to the making of a valid Will and explain how a valid Will can be revoked.
| ✓ To define the main Succession Act rights which the next of kin of a deceased may have to his or her estate.
| ✓ To describe the impact on a spouse’s Succession Act rights of a legal separation or divorce.
| ✓ To describe the impact on a civil partner’s Succession Act rights of the dissolution of a registered civil partnership.
| ✓ To define the main requirements for the legal transfer of assets, including the death benefit under a life assurance policy, of a deceased to his or her next of kin.

7. Savings and investment policies | ✓ To explain, compare and contrast the main features, benefits, limitations and risks for a consumer of the different generic types of investment linked life assurance, including regular savings plans and lump sum investment bonds.

| ✓ To quantify the typical explicit charges of the different generic types of investment linked life assurance.
| ✓ To explain the different ways in which investment linked life assurance policies can be arranged and owned and demonstrate the impact of each arrangement on entitlement to benefit under the policy.
| ✓ To demonstrate the taxation treatment for the consumer of premiums and benefits under the different generic types of investment linked life assurance.
| ✓ To assess and explain the different risks for a consumer investing in an investment linked life assurance policy.

8. Tracker Bonds | ✓ To describe how generic types of life assurance based Tracker Bonds are structured to provide the benefits promised to the investor.
## Subject Matter: COMPETENCIES

### 9. Personal taxation
- To demonstrate the taxation treatment of returns received from life assurance based Tracker Bonds.
- To assess and explain the different risks for a consumer investing in a Tracker Bond.
- To list the main schedules under which Income Tax is assessed and identify the types of income which fall under each schedule.
- To describe the main Income Tax reliefs and credits which can be claimed by a consumer.
- To calculate a consumer’s Income Tax liability, given details of his or her earnings and reliefs.
- To calculate an Inheritance Tax liability that could arise on the inheritance of an asset and apply the main exemptions and reliefs.
- To evaluate the main features and benefits of the reliefs afforded to life assurance policies used to fund Inheritance Tax or Gift Tax.
- To demonstrate the taxation treatment of a consumer investing in life assurance savings policies and investment bonds.

### 10. Business consumers
- To compare and contrast the main legal and taxation differences between a partnership and a limited company.
- To describe the different ways in which Partnership Insurance can be arranged and illustrate the taxation implications of each.
- To define Key Person Insurance, explain how it can be arranged and the taxation implications.

### 11. The process by which appropriate advice is given to the consumer about a life assurance policy
- To identify the main items of information about a consumer which should be sought before providing advice to that consumer on his or her life assurance needs.
- To describe the main survivor’s pension and disability benefits provided by the Social Insurance and Assistance schemes, and assess a consumer’s potential entitlement to such benefits.
- To analyse information about a consumer’s financial needs and resources in order to accurately identify, quantify and prioritise their life assurance protection, savings and investment needs.
- To compare and contrast the features, benefits, limitations and risks of different generic types of life assurance protection, savings and investment policies, so as to be able to recommend to a consumer a policy or a portfolio of policies appropriate to that consumer’s financial needs, resources and attitude to risk.
- To compose a reason-why statement for a consumer setting out in clear terms the reasons underlying any advice given to the consumer regarding a life assurance protection, savings or...
### Appendix E – Minimum Competencies for Retail Financial Products

#### Retail Financial Product: Life Assurance

<table>
<thead>
<tr>
<th>SUBJECT MATTER</th>
<th>COMPETENCIES</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>investment policy.</td>
</tr>
<tr>
<td></td>
<td>✓ To explain why a regular review of a consumer’s financial needs and resources should be conducted.</td>
</tr>
<tr>
<td>12. Inflation and financial mathematics</td>
<td>✓ To illustrate the impact inflation can have over time on a consumer’s financial needs and resources, and on life assurance benefits.</td>
</tr>
<tr>
<td></td>
<td>✓ To calculate a sum accumulated over a specified period at a specified rate of interest, using appropriate accumulation tables.</td>
</tr>
<tr>
<td></td>
<td>✓ To calculate a sum discounted over a specified period at a specified rate of interest, using appropriate discounting tables.</td>
</tr>
<tr>
<td></td>
<td>✓ To define what the terms RIY, APR and EAR mean and demonstrate how they can be used to compare different financial products.</td>
</tr>
<tr>
<td>13. Best practice</td>
<td>✓ To describe the importance of confidentiality in relation to the collection, maintenance and processing of personal data related to consumers.</td>
</tr>
<tr>
<td></td>
<td>✓ To recognise the ethical issues arising in relation to the conduct of business.</td>
</tr>
<tr>
<td>14. Legislation, regulation and compliance</td>
<td>✓ To discuss why Governments seek to regulate financial services companies.</td>
</tr>
<tr>
<td></td>
<td>✓ To distinguish between structural, systemic, prudential and consumer protection regulation.</td>
</tr>
<tr>
<td></td>
<td>✓ To describe the main functions of the Central Bank of Ireland, including its enforcement powers.</td>
</tr>
<tr>
<td></td>
<td>✓ To describe the main functions of the National Consumer Agency in relation to the provision of financial services to consumers.</td>
</tr>
<tr>
<td></td>
<td>✓ To describe the different types of insurance intermediaries authorised under the Investment Intermediaries Act, 1995 and registered under the European Communities (Insurance Mediation) Regulations 2005.</td>
</tr>
<tr>
<td></td>
<td>✓ To explain the main regulatory requirements which directly apply to the activity of advising consumers on and effecting of a life assurance policy, including in particular:</td>
</tr>
<tr>
<td></td>
<td>• the registration and authorisation requirements of insurance intermediaries;</td>
</tr>
<tr>
<td></td>
<td>• who prudentially regulates life assurance companies and the role of the Appointed Actuary;</td>
</tr>
<tr>
<td></td>
<td>• the European Communities (Insurance Mediation) Regulations, 2005;</td>
</tr>
</tbody>
</table>
|                | • the European Communities (Distance Marketing of
SUBJECT MATTER

COMPETENCIES

Consumer Financial Services) Regulations, 2004;

- relevant provisions of the Consumer Credit Act, 1995 (and relevant Regulations made under the Act) in relation to insurance and housing loans;

- relevant provisions of the European Communities (Consumer Credit Agreements) Regulations 2010 in relation to insurance and consumer credit agreements;

- the provisions of relevant Codes of Conduct, issued by the Central Bank of Ireland;

- the Revenue reporting duties of insurance intermediaries who arrange foreign life assurance policies for Irish residents;

- obligations on insurance intermediaries and financial services providers as designated persons under the Criminal Justice (Money Laundering and Terrorist Financing) Act, 2010;

- the provisions of Life Assurance (Provision of Information) Regulations, 2001;

- the benefits provided to consumers by the Investor Compensation Scheme and the limitations of that scheme;

- the details of the Financial Services Ombudsman Scheme, and how a consumer can access the Scheme;

## Appendix E – Minimum Competencies for Retail Financial Products

### Retail Financial Product: Pensions

<table>
<thead>
<tr>
<th>SUBJECT MATTER</th>
<th>COMPETENCIES</th>
</tr>
</thead>
</table>
| 1. The concept of financial planning | ✓ To analyse the main generic types of retirement planning needs a *consumer* may have at different life stages.  
✓ To explain the concept of financial planning and assess the benefits it can provide to *consumers* in terms of meeting their financial plans and objectives. |
| 2. Legal principles | ✓ To explain the main elements of a valid contract of assurance, how a contract is discharged and the remedies for breach of contract.  
✓ To interpret the concept of *agency* and define the main duties of an agent to his or her *principal* and discuss how an agency may be terminated. |
| 3. Investment linked pension policies | ✓ To compare and contrast the main features, benefits, limitations and risks for a *consumer* of the different generic types of investment linked pension policies, including annuities, PRSAs, Personal Pension Plans, AVCs, Buy Out Bonds, and individual defined contribution employer sponsored pension arrangements.  
✓ To quantify the typical explicit charges of the different generic types of investment linked pension policies.  
✓ To demonstrate the taxation treatment for the *consumer* of premiums and benefits under the different generic types of investment linked pension policies.  
✓ To assess the different risks for a *consumer* investing in an investment linked pension policy. |
| 4. Pensions and associated benefits | ✓ To differentiate between *defined contribution* and *defined benefit* pension arrangements.  
✓ To describe how an approved occupational pension scheme is set up.  
✓ To explain the main legislative restrictions on the investment and operation of and the benefits arising from occupational pension schemes, AVCs, retirement annuities, ARFs, AMRFs, Buy Out Bonds and Personal Retirement Savings Accounts.  
✓ To apply the Revenue Pensions Practice limitations on the maximum approvable benefits which can be provided for a member of an approved occupational pension scheme and calculate the maximum benefit in any individual case.  
✓ To apply the Revenue Pensions Practice limitations on the maximum ordinary annual contribution which can be paid to an approved occupational pension scheme in respect of a member, and calculate the maximum ordinary annual contribution in any individual case.  
✓ To define what a Small Self Administered Pension Scheme is and |
Appendix E – Minimum Competencies for Retail Financial Products

Retail Financial Product: Pensions

<table>
<thead>
<tr>
<th>SUBJECT MATTER</th>
<th>COMPETENCIES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>illustrate the current Revenue Pensions Practice and statutory restrictions on the operation of such schemes.</td>
</tr>
<tr>
<td></td>
<td>✓ To assess the different retirement benefit options under different types of pension arrangements and to compare the advantages and disadvantages of alternative benefit options for a consumer.</td>
</tr>
<tr>
<td></td>
<td>✓ To assess the main options open to an employee who leaves services with an entitlement to a preserved benefit under his or her employer’s occupational pension scheme.</td>
</tr>
<tr>
<td></td>
<td>✓ To demonstrate the tax relief afforded to ordinary and special contributions to an approved occupational pension scheme and to overseas pension arrangements, and calculate the relief for an employer special contribution paid to an approved occupational pension scheme in a particular case.</td>
</tr>
</tbody>
</table>

5. Retirement portfolios

|                | ✓ To explain the main different ways in which pension arrangements can invest in geared property investment. |
|                | ✓ To define an exempt unit trust and explain what types of investors can invest in such a unit trust. |
|                | ✓ To explain what an ARF portfolio is, and identify who is entitled to transfer funds into an ARF. |
|                | ✓ To identify the main statutory restrictions on ARF, PRSA and occupational pension scheme investments. |
|                | ✓ To demonstrate the taxation treatment of distributions from an ARF. |
|                | ✓ To define what a Small Self Administered Pension Scheme is and illustrate the current Revenue practice and statutory restrictions on investment power of such schemes. |
|                | ✓ To explain what a chargeable excess is, how it can arise, and calculate the chargeable excess in an individual case. |
|                | ✓ To explain how a tax charge can arise on the payment of a lump sum under a pension arrangement, and calculate the tax liability in an individual case. |

6. Personal taxation

|                | ✓ To list the main schedules under which Income Tax is assessed and identify the types of income which fall under each schedule. |
|                | ✓ To describe the main Income Tax reliefs and credits which can be claimed by a consumer, including pension tax reliefs. |
|                | ✓ To demonstrate how termination and compensation payments are taxed, how the tax free part of termination payments is related to pension tax free lump sum entitlement, and to calculate the taxable part of a termination payment in an individual case. |
|                | ✓ To calculate a consumer’s Income Tax liability, given details of his or her earnings and reliefs. |
## Subject Matter

### 7. The process by which appropriate advice is given to the consumer about pension products and benefits

- √ To identify the main items of information about a *consumer* which should be sought *before* providing *advice* to that *consumer* on pension policies and benefits.

- √ To describe the main retirement pensions provided by the Social Insurance and Assistance schemes, and assess a *consumer’s* potential entitlement to such benefits.

- √ To analyse information about a *consumer’s* financial needs and resources in order to accurately identify, quantify and prioritise their retirement needs.

- √ To compare and contrast the features, benefits, limitations and risks of different generic types of pension products, so as to be able to recommend to a *consumer* a product or a portfolio appropriate to that *consumer’s* financial needs, resources and attitude to risk.

- √ To compose a reason-why statement for a *consumer* setting out in clear terms the reasons underlying any retirement planning *advice* given to the *consumer*.

- √ To explain why a regular review of a *consumer’s* financial needs and resources should be conducted.

### 8. Inflation and financial mathematics

- √ To illustrate the impact inflation can have over time on a *consumer’s* financial needs and resources, and on returns from pension products.

- √ To calculate a sum accumulated over a specified period at a specified rate of interest, using appropriate accumulation tables.

- √ To calculate a sum discounted over a specified period at a specified rate of interest, using appropriate discounting tables.

- √ To define what the term *RIY* means and demonstrate how it can be used to compare different pension policies.

### 9. Best practice

- √ To describe the importance of confidentiality in relation to the collection, maintenance and processing of personal data related to *consumers*.

- √ To recognise the ethical issues arising in relation to the conduct of business.

### 10. Legislation, regulation and compliance

- √ To discuss why Governments seek to regulate financial services companies.

- √ To distinguish between *structural, systemic, prudential* and *consumer protection* regulation.

- √ To describe the main functions of the Central Bank of Ireland, including its enforcement powers.

- √ To describe the main functions of the National Consumer Agency.
Appendix E – Minimum Competencies for Retail Financial Products

Retail Financial Product: Pensions

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in relation to the provision of financial services to consumers.

√ To describe the different types of insurance intermediaries authorised under the Investment Intermediaries Act, 1995 and registered under the European Communities (Insurance Mediation) Regulations 2005.

√ To explain the main regulatory requirements which directly apply to the activity of advising consumers in relation to pension policies and associated benefits, including in particular:

- the registration and authorisation requirements of insurance intermediaries;
- the provisions of relevant Codes of Conduct, issued by the Central Bank of Ireland;
- the conditions of ‘execution only’ transactions;
- obligations on investment firms, insurance intermediaries and investment business firms as designated persons under the Criminal Justice (Money Laundering and Terrorist Financing) Act, 2010;
- the benefits provided to consumers by the Investor Compensation Scheme and the limitations of that scheme;
- the details of the Financial Services Ombudsman Scheme, and how a consumer can access the Scheme;
- the details of the Pensions Ombudsman Scheme, and how a consumer can access the Scheme;
- the Pensions Act whistle blowing obligations on relevant persons in relation to the operation of occupational pension schemes and PRSAs.
Appendix E – Minimum Competencies for Retail Financial Products
Retail Financial Product: Savings and Investments

<table>
<thead>
<tr>
<th>SUBJECT MATTER</th>
<th>COMPETENCIES</th>
</tr>
</thead>
</table>
| 1. The concept of financial planning | ✓ To analyse the main generic types of savings and investment needs a consumer may have at different life stages.  
                                | ✓ To explain the concept of financial planning and assess the benefits it can provide to consumers in terms of meeting their financial plans and objectives. |
| 2. The financial services market   | ✓ To explain the main functions which the financial system fulfils.  
                                | ✓ To list the key participants of the financial services system.  
                                | ✓ To describe the main financial services which financial institutions provide.  
                                | ✓ To define what capital markets are and differentiate between the primary and secondary capital markets.  
                                | ✓ To identify the main functions of the Irish Stock Exchange, including the main types of securities listed on the Exchange. |
| 3. Legal principles                | ✓ To explain the main elements of a valid contract, how a contract is discharged and the remedies for breach of contract.  
                                | ✓ To interpret the concept of agency and define the main duties of an agent to his or her principal and discuss how an agency may be terminated. |
| 4. The economy                     | ✓ To distinguish between monetary and fiscal policy.  
                                | ✓ To differentiate between Gross Domestic Product and Gross National Product.  
                                | ✓ To identify the different causes of inflation and deflation.  
                                | ✓ To identify the different causes of unemployment.  
                                | ✓ To discuss the main benefits of international free trade.  
                                | ✓ To describe the main features of the European System of Central Banks. |
| 5. Savings and Investment          | ✓ To discuss the main investment asset classes.  
                                | ✓ To discuss alternative asset classes.  
                                | ✓ To explain the concept of the volatility of investment returns and describe how this volatility may vary by the main investment asset classes.  
                                | ✓ To discuss the concept of the correlation of investment returns between different investments.  
                                | ✓ To explain the main advantages and disadvantages of collective investment over individual direct investment.  
                                | ✓ To describe the main features of the different generic forms of |
Appendix E – Minimum Competencies for Retail Financial Products

Retail Financial Product: Savings and Investments

collective investment funds, including differentiating between open ended and closed ended funds.
√ To explain market efficiency and its implications for active, passive and consensus investment management styles.
√ To assess the potential impact of different forms of risk which may be associated with an investment.
√ To accurately appraise a consumer's attitude to investment risk.
√ To describe the difference between optimisation and maximisation of investment returns.
√ To describe efficient portfolio theory and its implication for how investment risk can be reduced by diversification.
√ To identify the main restrictions which may apply to trustee investments under the Trustee (Authorised Investments) Act, 1958.
√ To identify the main restrictions which apply to the investment of credit union assets.

6. Quoted shares
√ To list the different types of ordinary and preferences shares, and describe their differing shareholder rights.
√ To explain the different factors which can have an influence on quoted share prices, from time to time.
√ To calculate and interpret the main ratios used to assess and compare quoted share values, including in particular dividend yield, dividend cover, earnings per share, PER, EBITDA, and net asset value.
√ To explain the steps and costs for the consumer involved in buying or selling quoted shares, including settlement procedures.
√ To distinguish between discretionary, advisory and execution only services provided by investment firms.
√ To identify the different methods of registering ownership of quoted shares.
√ To describe what the main ISEQ indices are.
√ To assess different potential risks for a consumer investing in a quoted share.
√ To define and calculate ‘yield gap’ and ‘equity risk premium’.

7. Company law and accounting
√ To describe how a company is formed.
√ To differentiate between a private company and a public limited company (plc).
√ To list the information contained in a typical company’s Memorandum of Association and Articles of Association.
√ To define the basic accounting principles which apply to the accounts of a typical trading company.
Appendix E – Minimum Competencies for Retail Financial Products

Retail Financial Product: Savings and Investments

1. Balance Sheet
√ To identify what information a typical trading company’s Balance Sheet, Profit and Loss Account and Cash Flow statements contain and analyse this information to aid the assessment of the value of the company.

8. Quoted bonds
√ To define what a bond is and what it offers consumers
√ To identify the steps and quantify costs involved in a consumer buying or selling quoted bonds, including settlement procedures.
√ To explain the main terms used in relation to the return offered by a bond, including running or flat yield, gross redemption yield and net redemption yield and calculate these returns, approximately, in the case of a particular bond.
√ To list the factors that influence the returns offered by bonds, from time to time.
√ To describe the different potential risks for a consumer investing in a quoted bond.

9. Investment linked life assurance policies
√ To compare and contrast the main features, benefits, limitations and risks for a consumer of the different generic types of investment linked life assurance including regular savings plans and lump sum investment bonds.
√ To quantify the typical explicit charges of the different generic types of investment linked life assurance policies.
√ To explain the different ways in which investment linked life assurance policies can be arranged and owned and demonstrate the impact of each arrangement on entitlement to benefit under the policy.
√ To demonstrate the taxation treatment for the consumer of premiums and benefits under the different generic types of investment linked life assurance policies.
√ To assess the different risks for a consumer investing in an investment linked life assurance policy.

10. Tracker Bonds
√ To describe how generic types of life assurance and deposit Tracker Bonds are structured to provide the benefits promised to the investor.
√ To illustrate the main differences for the consumer in the taxation treatment of returns received from life assurance and deposit based Tracker Bonds.
√ To explain the different risks for a consumer investing in a Tracker Bond.

11. Collective investment scheme
√ To explain the different legal structures of, regulatory provisions applying to, and describe the main features, benefits, charges and risks for a consumer investing in the following forms of
Appendix E – Minimum Competencies for Retail Financial Products

Retail Financial Product: Savings and Investments

instruments  collective investment scheme instruments, i.e., life assurance investment bonds, unit trusts, designated investment companies, investment limited partnerships, UCITS, BES designated investment funds, and equivalent offshore funds.

12. Exchange Traded Funds (ETFs)  ✓ To define an Exchange Traded Fund (ETF) and discuss its advantages and disadvantages for a consumer as a means of investing in quoted shares.

13. Derivatives  ✓ To discuss the main features, benefits and risks for a consumer of investing in financial derivatives, linked to the movement in the value of quoted shares, including the following:
   • Contracts for Difference (CFDs)
   • Covered Warrants
   • Options
   • Futures

14. Unquoted shares  ✓ To describe the main benefits and risks for a consumer investing in unquoted transferable shares, including in particular Film and BES company shares.

15. Personal taxation  ✓ To list the main schedules under which Income Tax is assessed and identify the types of income which fall under each schedule.
   ✓ To apply the main Income Tax reliefs and credits which can be claimed.
   ✓ To calculate a Capital Gains Tax liability that could arise on the disposal by a consumer of an asset and apply the main exemptions and reliefs which are available.
   ✓ To demonstrate the taxation treatment of a consumer investing in the following collective investment scheme instruments, i.e., unit trusts, designated investment companies, investment limited partnerships, UCITS, and BES designated investment funds and equivalent offshore funds.
   ✓ To demonstrate the taxation treatment of a consumer investing in a BES qualifying company and a Film qualifying company.
   ✓ To demonstrate how a consumer is taxed on profits arising from investing in derivatives, including Contracts for Difference, Covered Warrants, options and futures.

16. Business consumers  ✓ To identify the main legal and taxation differences between a partnership and a limited company.
   ✓ To compare and contrast the main features, benefits, restrictions and taxation treatment of Approved Share Options, Unapproved Share Option schemes, SAYE scheme and Approved Profit Sharing Schemes which employers may provide for employees.
Appendix E – Minimum Competencies for Retail Financial Products

Retail Financial Product: Savings and Investments

17. The process by which appropriate investment advice is given to the consumer

- To identify the main items of information about a consumer which should be sought before providing investment advice to that consumer on savings and investment products.
- To analyse information about a consumer’s financial needs and resources in order to accurately identify, quantify and prioritise their savings and investment needs.
- To compare and contrast the features, benefits, limitations and risks of different generic types of savings and investment products, so as to be able to recommend to a consumer an investment portfolio or product appropriate to that consumer’s financial needs, resources and attitude to investment risk.
- To compose a reason why statement setting out in clear terms the reasons underlying any investment advice given to the consumer.
- To explain why a regular review of a consumer’s financial needs and resources should be conducted.

18. Inflation and financial mathematics

- To illustrate the impact inflation can have over time on a consumer’s financial needs and resources and on returns from savings and investment products.
- To calculate a sum accumulated over a specified period at a specified rate of interest, using appropriate accumulation tables.
- To calculate a sum discounted over a specified period at a specified rate of interest, using appropriate discounting tables.
- To calculate the Net Present Value of a simple investment proposition, using appropriate discounting tables.
- To define the terms RIY, IRR, and CAR and demonstrate how they can be used to compare different financial products.
- To describe and calculate measures of the volatility of investment returns.

19. Best practice

- To describe the importance of confidentiality in relation to the collection, maintenance and processing of personal data related to consumers.
- To recognise the ethical issues arising in relation to the conduct of business.

20. Legislation, regulation and compliance

- To discuss why Governments seek to regulate financial services companies.
- To distinguish between structural, systemic, prudential and consumer protection regulation.
- To describe the main functions of the Central Bank of Ireland, including its enforcement powers.
Appendix E – Minimum Competencies for Retail Financial Products

Retail Financial Product: Savings and Investments

✓ To describe the main functions of the National Consumer Agency in relation to the provision of financial services to consumers.

✓ To list the main functions of the Director of Corporate Enforcement in relation to the regulation of corporate governance.

✓ To explain the regulatory role of the Irish Stock Exchange in relation to Member Firms.

✓ To describe the different types of intermediaries, authorised under the Investment Intermediaries Act, 1995 and registered under the European Communities (Insurance Mediation) Regulations 2005.

✓ To explain the main regulatory requirements which directly apply to the activity of advising consumers in relation to savings and investment products, including in particular:

  • the registration and authorisation requirements of insurance intermediaries;
  • who prudentially regulates life assurance companies and the role of the Appointed Actuary;
  • the European Communities (Markets in Financial Instruments) Regulations 2007;
  • the European Communities (Insurance Mediation) Regulations, 2005;
  • the European Communities (Distance Marketing of Consumer Financial Services) Regulations, 2004;
  • the main provisions of the Rules of the Irish Stock Exchange Limited;
  • the provisions of relevant Codes of Conduct, issued by the Central Bank of Ireland;
  • the conditions of ‘execution only’ transactions;
  • the Revenue reporting duties of intermediaries who arrange investment in offshore investment funds and foreign policies for Irish residents;
  • obligations on investment firms, insurance intermediaries and investment business firms as designated persons under the Criminal Justice (Money Laundering and Terrorist Financing) Act, 2010;
  • the provisions of Life Assurance (Provision of Information) Regulations, 2001;
  • the benefits provided to consumers by the Investor Compensation scheme and the limitations of that scheme;
  • the details of the Financial Services Ombudsman Scheme, and how a consumer can access the Scheme;
  • the main insider dealing provisions of the Companies Act, 1990;
Appendix E – Minimum Competencies for Retail Financial Products

Retail Financial Product: Savings and Investments

Ireland;

### SUBJECT MATTER | COMPETENCIES
--- | ---
**1. The concept of insurance** | ✔ To explain the nature of general insurance and the insurability of risks.  
| | ✔ To explain the concept of general insurance and the benefits it can provide to consumers in terms of protecting them against the consequences of adverse events.  
| | ✔ To analyse the risks faced by consumers in a comprehensive manner and to identify the extent of appropriate insurance solutions available in the market.  

**2. Basic legal and insurance principles underlying general insurance** | ✔ To illustrate the particular legal principles of insurable interest and utmost good faith.  
| | ✔ To describe the main requirements which these legal principles impose on consumers effecting general insurance policies, including in particular the duty to disclose material facts, and how these principles can impact on payment of claims and continuance of the policy.  
| | ✔ To explain the concept of indemnity and its application to personal general insurance policies.  
| | ✔ To apply the corollaries of indemnity, subrogation and contribution in commonly encountered situations where recovery rights may be exercised or dual insurance exists.  
| | ✔ To explain the operation of the principle of proximate cause in claims situations.  

**3. The insurance market and contractual considerations** | ✔ To explain the way in which the general insurance market operates.  
| | ✔ To describe the different types of intermediary and their responsibilities towards their clients.  
| | ✔ To describe the main elements of a valid contract, how a contract is discharged and the remedies for breach of contract.  
| | ✔ To explain the concept of agency and to know the main duties of an agent to his or her principal and how an agency may be terminated.  

**4. Underwriting procedures and policy wording** | ✔ To explain the general insurance underwriting process and the relationship between underwriting and the premium charged for general insurance policies.  
| | ✔ To describe the typical underwriting measures available to an underwriter when considering a general insurance proposal including restrictions such as the application of warranties.  
| | ✔ To describe the function and legal significance of proposal forms and other insurance documentation and explain the importance of the accuracy and completeness of the information provided.
### Minimum Competencies for Retail Financial Products

#### Retail Financial Product: Personal General Insurance

<table>
<thead>
<tr>
<th>SUBJECT MATTER</th>
<th>COMPETENCIES</th>
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<tbody>
<tr>
<td></td>
<td>✓ To be able to frame questions (even if outside the scope of the proposal form) which encourage disclosure of the necessary material information for consumers to be provided with the most appropriate product and ensure that they fulfil their duty of utmost good faith.</td>
</tr>
<tr>
<td></td>
<td>✓ To explain insurer rating guides and their application in determining premiums charged to consumers.</td>
</tr>
<tr>
<td></td>
<td>✓ To describe the structure of general insurance policy wordings and common market exclusions and conditions.</td>
</tr>
<tr>
<td></td>
<td>✓ To define reinsurance and state what prompts its use in the underwriting process for general insurance policies and outline the main types of reinsurance.</td>
</tr>
</tbody>
</table>

#### 5. Claims

| | ✓ To explain the requirements on both the customer and the insurance company throughout the claims settlement process. |
| | ✓ To advise a consumer of the necessary procedures and documentation required to pursue a claim successfully. |
| | ✓ To explain why procedures are necessary that are designed to limit or prevent fraud or exaggeration of claims. |
| | ✓ To describe the role of the legal system and its main parties in the claims settlement process. |
| | ✓ To recognise and establish the extent to which the claim falls (or does not fall) within the scope of an insurance policy and explain why (or why not) to a consumer. |
| | ✓ To explain circumstances when other parties are involved in the claims process and their role and responsibility (InjuriesBoard.ie, solicitors, loss assessors, loss adjusters, appraisers, surveyors and other experts). |

#### 6. Risk management process

| | ✓ To identify the main techniques used in risk management. |
| | ✓ To describe how risk management techniques can protect consumers and their business (physically and financially). |
| | ✓ To identify the main sources of risk management information, such as information provided by relevant government bodies and market associations. |
| | ✓ To analyse information about a consumer’s personal situation or that of their business in order to identify means of applying risk prevention, reduction and avoidance techniques and retention options. |

#### 7. The process by which appropriate advice is given

| | ✓ To describe the information and documentation required by insurance organisations for fulfilment of legal and regulatory requirements. |
| | ✓ To describe the main items of information about a consumer that
### Appendix E – Minimum Competencies for Retail Financial Products

#### Retail Financial Product: Personal General Insurance

<table>
<thead>
<tr>
<th>SUBJECT MATTER</th>
<th>COMPETENCIES</th>
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<tbody>
<tr>
<td>to the consumer about a general insurance policy</td>
<td>should be sought <em>before</em> providing <em>advice</em> to that <em>consumer</em> about a general insurance policy.</td>
</tr>
<tr>
<td></td>
<td>√ To be able to analyse information about a <em>consumer’s</em> general insurance needs in order to accurately identify, quantify and prioritise their general insurance needs.</td>
</tr>
<tr>
<td></td>
<td>√ To accurately identify and compare the features, benefits and limitations of different generic types of general insurance policies so as to be able to develop effective solutions to meet a <em>consumer's</em> insurance needs.</td>
</tr>
<tr>
<td></td>
<td>√ To draft a reason why statement for a <em>consumer</em> setting out in clear terms the reasons underlying any <em>advice</em> given to the <em>consumer</em> regarding a general insurance policy.</td>
</tr>
<tr>
<td></td>
<td>√ To explain why a regular review of a <em>consumer’s</em> general insurance needs should be conducted.</td>
</tr>
</tbody>
</table>

#### 8. Best practice

| √ To explain the importance of confidentiality in relation to the collection, maintenance and processing of personal data related to *consumers*. |
| √ To explain the ethical issues arising in relation to the conduct of business and the most appropriate means of ensuring ethical behaviour. |
| √ To advise a *consumer* in relation to the procedures involved in complaints handling and the use of alternative dispute resolution channels in general insurance. |

#### 9. In-depth knowledge of personal general insurance

| √ To describe and explain the scope and limitations of policy covers and standard options available. |
| √ To explain the methods of underwriting, including appropriate reinsurance options. |
| √ To describe and apply the relevant torts of negligence, trespass and strict liability. |
| √ To outline and apply the personal general insurance claims procedures. |

#### 10. Legislation, regulation and compliance

| √ To discuss why Governments seek to regulate financial services companies. |
| √ To distinguish between structural, systemic, prudential and *consumer* protection regulation. |
| √ To describe the main functions of the Central Bank of Ireland, including its enforcement powers. |
| √ To describe the different types of insurance intermediaries authorised under the Investment Intermediaries Act 1995 and registered under the European Communities (Insurance
Appendix E – Minimum Competencies for Retail Financial Products
Retail Financial Product: Personal General Insurance

**SUBJECT MATTER**

**COMPETENCIES**


✓ To explain the requirements surrounding the authorisation and supervision of insurance undertakings.

✓ To describe the regulations which govern general insurance policies (e.g., scope of policy coverage, renewal).

✓ To describe the developments in the European Union that have influenced the provision of advice in relation to general insurance products and the means by which these have been brought into law in Ireland.

✓ To explain the main regulatory requirements which directly apply to the activity of advising consumers on and effecting of a general insurance policy, including but not limited to:

- the registration and authorisation requirements of insurance intermediaries;
- the European Communities (Distance Marketing of Consumer Financial Services) Regulations, 2004;
- the provisions of relevant Codes of Conduct, issued by the Central Bank of Ireland;
- obligations on insurance intermediaries as designated persons under the Criminal Justice (Money Laundering and Terrorist Financing) Act, 2010;
- the benefits provided to consumers by the Investor Compensation Scheme and the limitations of that scheme;
- the details of the Financial Services Ombudsman Scheme, and how a consumer can access the Scheme;
## Appendix E – Minimum Competencies for Retail Financial Products
### Retail Financial Product: Commercial General Insurance

<table>
<thead>
<tr>
<th>SUBJECT MATTER</th>
<th>COMPETENCIES</th>
</tr>
</thead>
</table>
| **1. The concept of insurance**                     | ✓ To explain the nature of general insurance and the insurability of risks.  
|                                                      | ✓ To explain the concept of general insurance and the benefits it can provide to *consumers* in terms of protecting them against the consequences of adverse events.  
|                                                      | ✓ To analyse the risks faced by *consumers* in a comprehensive manner and to identify the extent of appropriate insurance solutions available in the market. |
| **2. Basic legal and insurance principles underlying general insurance** | ✓ To illustrate the particular legal principles of *insurable interest* and *utmost good faith*.  
|                                                      | ✓ To describe the main requirements which these legal principles impose on *consumers* effecting general insurance policies, including in particular the duty to disclose material facts, and how these principles can impact on payment of claims and continuance of the policy.  
|                                                      | ✓ To explain the concept of indemnity and its application to commercial general insurance policies.  
|                                                      | ✓ To apply the corollaries of indemnity, subrogation and contribution in commonly encountered situations where recovery rights may be exercised or dual insurance exists.  
|                                                      | ✓ To explain the operation of the principle of proximate cause in claims situations. |
| **3. The insurance market and contractual considerations** | ✓ To explain the way in which the general insurance market operates.  
|                                                      | ✓ To describe the different types of intermediary and their responsibilities towards their clients.  
|                                                      | ✓ To describe the main elements of a valid contract, how a contract is discharged and the remedies for breach of contract.  
|                                                      | ✓ To explain the concept of *agency* and to know the main duties of an agent to his or her *principal* and how an agency may be terminated. |
| **4. Underwriting procedures and policy wording**    | ✓ To explain the general insurance underwriting process and the relationship between underwriting and the premium charged for general insurance policies.  
|                                                      | ✓ To describe the typical underwriting measures available to an underwriter when considering a general insurance proposal including restrictions such as the application of warranties.  
|                                                      | ✓ To describe the function and legal significance of proposal forms and other insurance documentation and explain the importance of the accuracy and completeness of the information provided. |
Appendix E – Minimum Competencies for Retail Financial Products

Retail Financial Product: Commercial General Insurance

SUBJECT MATTER	COMPETENCIES

✓ To be able to frame questions (even if outside the scope of the proposal form) which encourage disclosure of the necessary material information for consumers to be provided with the most appropriate product and ensure that they fulfil their duty of utmost good faith.

✓ To explain insurer rating guides and their application in determining premiums charged to consumers.

✓ To describe the structure of general insurance policy wordings and common market exclusions and conditions.

✓ To define reinsurance and state what prompts its use in the underwriting process for general insurance policies and outline the main types of reinsurance.

5. Claims

✓ To explain the requirements on both the customer and the insurance company throughout the claims settlement process.

✓ To advise a consumer of the necessary procedures and documentation required to pursue a claim successfully.

✓ To explain why procedures are necessary that are designed to limit or prevent fraud or exaggeration of claims.

✓ To describe the role of the legal system and its main parties in the claims settlement process.

✓ To recognise and establish the extent to which the claim falls (or does not fall) within the scope of an insurance policy and explain why (or why not) to a consumer.

✓ To explain circumstances when other parties are involved in the claims process and their role and responsibility (InjuriesBoard.ie, solicitors, loss assessors, loss adjusters, appraisers, surveyors and other experts).

6. Risk management process

✓ To identify the main techniques used in risk management.

✓ To describe how risk management techniques can protect consumers and their business (physically and financially).

✓ To identify the main sources of risk management information, such as information provided by relevant government bodies and market associations.

✓ To analyse information about a consumer’s personal situation or that of their business in order to identify means of applying risk prevention, reduction and avoidance techniques and retention options.
Appendix E – Minimum Competencies for Retail Financial Products
Retail Financial Product: Commercial General Insurance

SUBJECT MATTER to the consumer about a general insurance policy

COMPETENCIES

should be sought before providing advice to that consumer about a general insurance policy.

√ To be able to analyse information about a consumer’s general insurance needs in order to accurately identify, quantify and prioritise their general insurance needs.

√ To accurately identify and compare the features, benefits and limitations of different generic types of general insurance policies so as to be able to develop effective solutions to meet a consumer’s insurance needs.

√ To draft a reason why statement for a consumer setting out in clear terms the reasons underlying any advice given to the consumer regarding a general insurance policy.

√ To explain why a regular review of a consumer’s general insurance needs should be conducted.

8. Best practice

√ To explain the importance of confidentiality in relation to the collection, maintenance and processing of personal data related to consumers.

√ To explain the ethical issues arising in relation to the conduct of business and the most appropriate means of ensuring ethical behaviour.

√ To advise a consumer in relation to the procedures involved in complaints handling and the use of alternative dispute resolution channels in general insurance.

9. In-depth knowledge of commercial general insurance

√ To describe and explain the scope and limitations of policy covers and options available.

√ To recognise the enquiries required to establish the risk appetite and insurable risks faced by commercial organisations; highlighting issues which are of particular importance to commercial classes of insurance business.

√ To explain the methods of underwriting, including appropriate reinsurance options.

√ To outline the role of the insurance surveyor.

√ To describe and apply the relevant torts of negligence, trespass, strict liability nuisance, defamation, libel and slander.

√ To outline and apply the commercial general insurance claims procedures.

10. Legislation, regulation and compliance

√ To discuss why Governments seek to regulate financial services companies.

√ To distinguish between structural, systemic, prudential and consumer protection regulation.
## Minimum Competencies for Retail Financial Products

### Retail Financial Product: Commercial General Insurance

<table>
<thead>
<tr>
<th>SUBJECT MATTER</th>
<th>COMPETENCIES</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>√ To describe the main functions of the Central Bank of Ireland, including its enforcement powers.</td>
</tr>
<tr>
<td></td>
<td>√ To describe the different types of insurance intermediaries authorised under the Investment Intermediaries Act 1995 and registered under the European Communities (Insurance Mediation) Regulations 2005.</td>
</tr>
<tr>
<td></td>
<td>√ To explain the requirements surrounding the authorisation and supervision of insurance undertakings.</td>
</tr>
<tr>
<td></td>
<td>√ To describe the regulations which govern general insurance policies (e.g. scope of policy, renewals).</td>
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<tr>
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<td>√ To describe the developments in the European Union that have influenced the provision of advice in relation to general insurance products and the means by which these have been brought into law in Ireland.</td>
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<td></td>
<td>√ To explain the main regulatory requirements which directly apply to the activity of advising consumers on and effecting of a general insurance policy, including but not limited to:</td>
</tr>
<tr>
<td></td>
<td>- the registration and authorisation requirements of insurance intermediaries;</td>
</tr>
<tr>
<td></td>
<td>- the European Communities (Distance Marketing of Consumer Financial Services) Regulations, 2004;</td>
</tr>
<tr>
<td></td>
<td>- the provisions of relevant Codes of Conduct, issued by the Central Bank of Ireland;</td>
</tr>
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<td></td>
<td>- obligations on insurance intermediaries as designated persons under the Criminal Justice (Money Laundering and Terrorist Financing) Act, 2010;</td>
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<td>- the benefits provided to consumers by the Investor Compensation Scheme and the limitations of that scheme;</td>
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<tr>
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<td>- the details of the Financial Services Ombudsman Scheme, and how a consumer can access the Scheme;</td>
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### Appendix E – Minimum Competencies for Retail Financial Products

**Retail Financial Product: Private Medical Insurance and Associated Insurances**

<table>
<thead>
<tr>
<th>SUBJECT MATTER</th>
<th>COMPETENCIES</th>
</tr>
</thead>
</table>
| 1. The concept of insurance | ✓ To explain the nature of general insurance (including Private Medical Insurance) and the insurability of risks.  
✓ To explain the concept of general insurance and the benefits it can provide to consumers in terms of protecting them against the consequences of adverse events.  
✓ To analyse the risks faced by consumers in a comprehensive manner and to identify the extent of appropriate insurance solutions available in the market. |
| 2. Basic legal and insurance principles underlying general insurance (including Private Medical Insurance) | ✓ To illustrate the particular legal principles of insurable interest and utmost good faith.  
✓ To describe the main requirements which these legal principles impose on consumers effecting general insurance policies, including in particular the duty to disclose material facts, and how these principles can impact on payment of claims and continuance of the policy.  
✓ To explain the concept of indemnity and its application to different classes of general insurance policies.  
✓ To apply the corollaries of indemnity, subrogation and contribution in commonly encountered situations where recovery rights may be exercised or dual insurance exists.  
✓ To explain the operation of the principle of proximate cause in claims situations. |
| 3. The insurance market and contractual considerations | ✓ To explain the way in which the general insurance and private medical insurance market operates.  
✓ To describe the different types of intermediary and their responsibilities towards their clients.  
✓ To describe the main elements of a valid contract, how a contract is discharged and the remedies for breach of contract.  
✓ To explain the concept of agency and to know the main duties of an agent to his or her principal and how an agency may be terminated.  
✓ To demonstrate the fiscal treatment for the consumer of premiums and benefits under private medical insurance policies. |
| 4. Underwriting procedures and policy wording | ✓ To explain the general insurance underwriting process and the relationship between underwriting and the premium charged for general insurance policies.  
✓ To describe the typical underwriting measures available to an underwriter when considering a general insurance proposal including restrictions such as the application of warranties.  
✓ To describe the function and legal significance of proposal forms |
SUBJECT MATTER  |  COMPETENCIES
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and other insurance documentation and explain the importance of the accuracy and completeness of the information provided.  
✓ To be able to frame questions (even if outside the scope of the proposal form) which encourage disclosure of the necessary material information for consumers to be provided with the most appropriate product and ensure that they fulfil their duty of utmost good faith.  
✓ To explain insurer rating guides and their application in determining premiums charged to consumers.  
✓ To describe the structure of general insurance policy wordings and common market exclusions and conditions.  
✓ To define reinsurance and state what prompts its use in the underwriting process for general insurance policies and outline the main types of reinsurance.

5. Claims  
✓ To explain the requirements on both the customer and the insurance company throughout the claims settlement process.  
✓ To advise a consumer of the necessary procedures and documentation required to pursue a claim successfully.  
✓ To explain why procedures are necessary that are designed to limit or prevent fraud or exaggeration of claims.  
✓ To describe the role of the legal system and its main parties in the claims settlement process.  
✓ To recognise and establish the extent to which the claim falls (or does not fall) within the scope of an insurance policy and explain why (or why not) to a consumer.  
✓ To explain circumstances when other parties are involved in the claims process and their role and responsibility.

6. Risk management process  
✓ To identify the main techniques used in risk management.  
✓ To describe how risk management techniques can protect consumers and their business (physically and financially).  
✓ To identify the main sources of risk management information, such as information provided by relevant government bodies and market associations.

7. The process by which appropriate advice is given to the consumer about a general insurance policy  
✓ To describe the information and documentation required by insurance organisations for fulfilment of legal and regulatory requirements.  
✓ To describe the main items of information about a consumer that should be sought before providing advice to that consumer about a general insurance policy.  
✓ To be able to analyse information about a consumer’s general insurance needs in order to accurately identify, quantify and prioritise their general insurance needs.
Appendix E – Minimum Competencies for Retail Financial Products
Retail Financial Product: Private Medical Insurance and Associated Insurances

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COMPETENCIES

√ To accurately identify and compare the features, benefits and limitations of different generic types of general insurance policies so as to be able to develop effective solutions to meet a consumer’s insurance needs.

√ To draft a reason why statement for a consumer setting out in clear terms the reasons underlying any advice given to the consumer regarding a general insurance policy.

√ To explain why a regular review of a consumer’s general insurance needs should be conducted.

8. Best practice

√ To explain the importance of confidentiality in relation to the collection, maintenance and processing of personal data related to consumers.

√ To explain the ethical issues arising in relation to the conduct of business and the most appropriate means of ensuring ethical behaviour.

√ To advise a consumer in relation to the procedures involved in complaints handling and the use of alternative dispute resolution channels in general insurance.

9. In-depth knowledge of Private Medical Insurance

√ To describe and explain the legal framework for conducting Private Medical Insurance business.

√ To explain the scope and limitations of healthcare insurance policy covers and standard options available.

√ To explain the methods of Private Medical Insurance and healthcare insurance underwriting.

√ To explain and apply the Private Medical Insurance claims procedures.

√ To explain and apply the taxation of premiums and benefits.

10. Associated insurances

√ To describe and explain the scope and limitations of policy covers and standard options available for:
  • Major medical expenses;
  • Dental insurance;
  • Health cash plans;
  • Travel insurance.

11. Legislation, regulation and compliance

√ To discuss why Governments seek to regulate financial services companies.

√ To distinguish between structural, systemic, prudential and consumer protection regulation.

√ To describe the main functions of the Central Bank of Ireland, including its enforcement powers.

√ To describe the role of the Health Insurance Authority in relation
Appendix E – Minimum Competencies for Retail Financial Products

Retail Financial Product: Private Medical Insurance and Associated Insurances

**SUBJECT MATTER**

to the regulation of Private Medical Insurance in Ireland.

√ To describe the different types of insurance intermediaries authorised under the Investment Intermediaries Act 1995 and registered under the European Communities (Insurance Mediation) Regulations 2005.

√ To explain the requirements surrounding the authorisation and supervision of insurance undertakings.

√ To describe the regulations which govern general insurance policies (e.g. scope of policy coverage, renewal).

√ To describe the developments in the European Union that have influenced the provision of advice in relation to general insurance products and the means by which these have been brought into law in Ireland.

√ To explain the main regulatory requirements which directly apply to the activity of advising consumers on and effecting of a general insurance policy, including but not limited to:

- the registration and authorisation requirements of insurance intermediaries;
- the European Communities (Distance Marketing of Consumer Financial Services) Regulations, 2004;
- the provisions of relevant Codes of Conduct, issued by the Central Bank of Ireland;
- obligations on insurance intermediaries as designated persons under the Criminal Justice (Money Laundering and Terrorist Financing) Act, 2010;
- the benefits provided to consumers by the Investor Compensation Scheme and the limitations of that scheme;
- the details of the Financial Services Ombudsman Scheme, and how a consumer can access the Scheme;
### SUBJECT MATTER

#### COMPETENCIES

1. **Legal**
   - √ To distinguish between *ownership* and *possession* of property and explain the two main different forms of ownership and possession of property.

2. **Housing loans and home reversion agreements**
   - √ To describe the main features, benefits, restrictions and risks for the *consumer* of the different generic types of housing loans, including in particular the *capital & interest*, *endowment*, *pension* and *interest only* mortgages.
   - √ To explain what a home reversion agreement is, its main features, benefits, restrictions and risks for the *consumer*, and how a home reversion agreement differs from a housing loan.
   - √ To identify the main forms of security typically required by a mortgage lender in relation to providing housing loans to consumers.
   - √ To explain the main benefits and risks for the *consumer* associated with endowment, pension and interest only mortgages.
   - √ To explain the main benefits and risks for the *consumer* associated with home reversion agreements.
   - √ To compare and contrast the different interest options offered by generic types of housing loans, including in particular *variable rate*, *fixed rate* and *tracker variable rate*.
   - √ To explain how housing loans can be used for ‘*debt consolidation*’, and describe the benefits, restrictions and risks for the *consumer* in consolidating other debts and loans into a housing loan.
   - √ To explain the different ways housing loans and home reversion agreements can be used for ‘*equity release*’, and describe the benefits, restrictions and risks for the *consumer* in obtaining capital in this manner.
   - √ To discuss the different methods by which housing loan lenders may deal with consumers who have accumulated arrears on a housing loan, including procedures for initiating legal proceedings.

3. **Taxation**
   - √ To explain the main details of, and apply the tax relief afforded to, mortgage interest for housing loans, including bridging loans.
   - √ To calculate the tax relief afforded to investors on interest payments on housing loans in respect of rented residential property.

4. **Associated insurances**
   - √ To compare and contrast the main features, benefits, limitations and risks of the different generic types of life assurance protection policies, endowment mortgage policies, pension policies, and general insurance policies which can be used to
Appendix E – Minimum Competencies for Retail Financial Products

Retail Financial Product: Housing Loans, Home Reversion Agreements and Associated Insurances

<table>
<thead>
<tr>
<th>SUBJECT MATTER</th>
<th>COMPETENCIES</th>
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<tbody>
<tr>
<td></td>
<td>provide for housing loan repayment in the event of death, disability or unemployment of the borrower, and/or to accumulate a fund to repay the housing loan by the end of the loan term.</td>
</tr>
<tr>
<td></td>
<td>✓ To assess the main features, benefits and limitations of the Structural Defect Insurance cover.</td>
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<tr>
<td></td>
<td>✓ To compare and contrast the main features, benefits and limitations of the different generic types of general insurance policies which can be used to insure a house and the contents of a house, mortgaged in connection with a housing loan.</td>
</tr>
<tr>
<td></td>
<td>✓ To identify the obligations on mortgage lenders, under the Consumer Credit Act, 1995, in relation to insurance of mortgaged property.</td>
</tr>
<tr>
<td></td>
<td>✓ To identify the obligations on mortgage lenders, under the Consumer Credit Act, 1995, in relation to the provision of mortgage protection insurance cover for housing loan borrowers.</td>
</tr>
<tr>
<td></td>
<td>✓ To assess the relative advantages and disadvantages for the housing loan borrower of arranging associated insurances under a block policy arranged by the mortgage lender, compared with arranging such cover on an individual policy basis.</td>
</tr>
<tr>
<td></td>
<td>✓ To describe the main restrictions on mortgage agents, in the Consumer Credit Act 1995, in relation to linking services in connection with the arrangement or provision of a housing loan.</td>
</tr>
</tbody>
</table>

5. The process by which appropriate advice is given to the consumer about a housing loan and associated insurances

✓ To identify the main items of information about a consumer which should be sought before providing advice to that consumer about a housing loan and/or associated insurances.

✓ To explain the various items of documentation a mortgage lender will typically seek from a consumer in order to process a housing loan application from that consumer.

✓ To list all the various explicit charges and costs a consumer is likely to bear when applying for and obtaining a housing loan, including the cost of any Payment Protection Insurance the credit institution may offer to arrange for the consumer in connection with the housing loan.

✓ To compare and contrast the features, benefits, costs, limitations and risks of different generic types of housing loans so as to recommend to a consumer a type of housing loan appropriate to that consumer’s financial needs, resources and attitude to risk.

✓ To compare and contrast the features, benefits, costs, limitations and risks of different generic types of life assurance and general insurance which can be required as part of a housing loan, so as to recommend to a consumer the type of cover and method of arrangement appropriate to that consumer’s financial needs, resources and attitude to risk.

✓ To compose a reason-why statement setting out in clear terms the reasons underlying any advice given to the consumer.
## Appendix E – Minimum Competencies for Retail Financial Products

### Retail Financial Product: Housing Loans, Home Reversion Agreements and Associated Insurances

<table>
<thead>
<tr>
<th>SUBJECT MATTER</th>
<th>COMPETENCIES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>regarding a housing loan and/or the arranging of life assurance and/or general insurance related to the housing loan and the mortgaged property.</td>
</tr>
</tbody>
</table>

### 6. Compound interest

- √ To calculate a sum accumulated over a specified period at a specified rate of interest, using appropriate accumulation tables.
- √ To calculate a sum discounted over a specified period at a specified rate of interest, using appropriate discounting tables.
- √ To define what the term APR means and demonstrate how it can be used to compare different housing loans.

### 7. Best practice

- √ To describe the importance of confidentiality in relation to the collection, maintenance and processing of personal data related to consumers.
- √ To recognise the ethical issues arising in relation to the conduct of business.

### 8. Regulation

- √ To discuss the main functions of the Central Bank of Ireland, including its enforcement powers.
- √ To explain the main regulatory requirements which directly apply to the activity of advising a consumer on and the arrangement of a housing loan or home reversion agreement:
  - the authorisation requirements of mortgage intermediaries, under Part IX Consumer Credit Act 1995;
  - the different obligations and restrictions imposed on mortgage intermediaries, mortgage lenders, and mortgage agents by the Consumer Credit Act, 1995 in relation to housing loans and associated insurance requirements;
  - the European Communities (Distance Marketing of Consumer Financial Services) Regulations, 2004;
  - the provisions of relevant Codes of Conduct, issued by the Central Bank of Ireland;
  - the main functions of the National Consumer Agency in relation to the provision of financial services to consumers;
  - obligations on mortgage lenders as designated persons under the Criminal Justice (Money Laundering and Terrorist Financing) Act, 2010;
  - the details of the Financial Services Ombudsman Scheme, and how a consumer can access the Scheme;
### Subject Matter: Minimum Competencies for Retail Financial Products

#### Retail Financial Product: Consumer Credit Agreements and Associated Insurances

<table>
<thead>
<tr>
<th>Subject Matter</th>
<th>Competencies</th>
</tr>
</thead>
</table>
| 1. Consumer contracts | ✓ To explain the main elements of a valid contract, how a contract is discharged and the remedies for breach of contract.  
✓ To describe the main forms of consumer credit agreements subject to Parts 2 to 7 of the European Communities (Consumer Credit Agreements) Regulations, 2010.  
✓ To describe the impact of the European Communities (Unfair Terms in Consumer Contracts) Regulations, 1995 on consumer contracts. |
| 2. Consumer credit agreements | ✓ To describe the form and content of different types of consumer credit agreements, and how they differ from each other.  
✓ To assess the main features of typical credit assessment and underwriting procedures used by creditors when advancing consumer credit.  
✓ To identify the main forms of security which a creditor may require when advancing consumer credit.  
✓ To discuss the information which must be provided by creditors and credit intermediaries to a consumer prior to the conclusion of a credit agreement with that consumer.  
✓ To describe consumer rights and obligations under a consumer credit agreement.  
✓ To discuss the different methods by which creditors may deal with consumers who have accumulated arrears on consumer credit agreements including procedures for initiating legal proceedings. |
| 3. Associated insurances | ✓ To compare and contrast the main features, benefits, limitations and risks of the different generic types of life assurance and general insurance policies which can be used to insure the credit outstanding and/or repayments under consumer credit agreements, in the event of death, disability or unemployment.  
✓ To assess the relative advantages and disadvantages for the consumer of arranging associated insurances under a block policy arranged by the credit institution, compared with arranging such cover on an individual policy basis. |
| 4. The process by which appropriate advice is given to a consumer about consumer credit and associated insurances | ✓ To identify the main items of information about a consumer which should be sought before providing advice to that consumer about a consumer credit agreement.  
✓ To explain the various items of documentation a creditor will typically seek from a consumer before offering to enter into a consumer credit agreement with that consumer.  
✓ To list all the various explicit charges a consumer is likely to bear when applying for and entering into a consumer credit agreement. |
### Subject Matter: Competencies

| Agreement, including the cost of any Payment Protection Insurance or other insurance the creditor may offer to arrange for the consumer or require the consumer to have in connection with the consumer credit agreement. |
| □ To compare and contrast the features, benefits, limitations and risks of different generic types of consumer credit agreements so as to be able to recommend to a consumer a form of credit appropriate to that consumer’s financial needs, resources and circumstances. |
| □ To compare and contrast the features, benefits, limitations and risks of different generic types of life assurance and general insurance policies which can insure the credit outstanding and/or repayments on a consumer credit agreement, so as to be able to recommend to a consumer the type of cover and method of arrangement of such cover appropriate to that consumer’s financial needs, resources and attitude to risk. |
| □ To compose a reason-why statement setting out in clear terms the reasons underlying any advice given to a consumer regarding the provision of credit and/or the arranging of insurance on the credit outstanding on a consumer credit agreement. |

| 5. Compound interest |
| □ To calculate a sum accumulated over a specified period at a specified rate of interest, using appropriate accumulation tables. |
| □ To calculate a sum discounted over a specified period at a specified rate of interest, using appropriate discounting tables. |
| □ To define what the term APR means and demonstrate how it can be used to compare different consumer credit agreements. |

| 6. Best practice |
| □ To describe the importance of confidentiality in relation to the collection, maintenance and processing of personal data related to consumers. |
| □ To recognise the ethical issues arising in relation to the conduct of business. |

| 7. Regulation |
| □ To describe the functions of the National Consumer Agency in relation to the regulation of credit intermediaries. |
| □ To explain the main regulatory requirements which directly apply to arranging credit for a consumer: |
  * the European Communities (Consumer Credit Agreements) Regulations, 2010; |
  * the authorisation requirements of credit intermediaries, under Part XI Consumer Credit Act 1995; |
  * the role of the Central Bank of Ireland in relation to the imposition of charges in consumer credit agreements; |
Appendix E – Minimum Competencies for Retail Financial Products
Retail Financial Product: Consumer Credit Agreements and Associated Insurances

SUBJECT MATTER COMPETENCIES

- the different obligations and restrictions imposed on credit intermediaries and credit institutions by the Consumer Credit Act, 1995 in relation to the provision and advertisement and arranging of consumer credit agreements which are subject to Parts 2 to 7 of the European Communities (Consumer Credit Agreements) Regulations, 2010;

- the European Communities (Distance Marketing of Consumer Financial Services) Regulations, 2004;

- the provisions of relevant Codes of Conduct, issued by the Central Bank of Ireland applying to credit providers;

- obligations on credit institutions as designated persons under the Criminal Justice (Money Laundering and Terrorist Financing) Act, 2010;

- the details of the Financial Services Ombudsman Scheme, and how a consumer can access the Scheme;