



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

2016

Guidelines on IMR Reporting Obligations for Funds Service Providers



General

1. These Guidelines apply to all Fund Service Providers (“FSPs”) subject to the Investor Money Regulations¹ (“IMR”).
2. The Central Bank of Ireland (“the Bank”) views the reporting of breaches, potential future breaches and other reportable matters as a key element of an FSP’s reporting obligations.
3. The Client Asset/ Investor Money Reporting Form (“the Return”) should be submitted on the Central Bank’s Online Reporting System which was developed to facilitate breach and incident reporting by firms. The Return² is a word document in which FSPs are required to provide detailed information on the issue reported. This should be uploaded to the ‘Other Documents’ category available under the FSP’s Online Reporting System reporting profile.
4. FSPs should notify the Bank as soon as they become aware of an IMR breach, potential future breach or other reportable matter relating to the IMR. Where necessary, an FSP should submit an updated Return after the initial Return is submitted, for instance where more relevant information becomes available on the background of how the issue occurred, its impact on the FSP or the FSP’s action plan to address the issue.
5. FSPs should note that the Return is not a substitute for normal supervisory engagement. FSPs should have regard to the urgency and significance of the matter and, if appropriate, contact their supervisor by telephone.
6. FSPs should make their own assessment of the materiality of reportable matters and this should be documented, where applicable, in the FSP’s Investor Money Management Plan. FSPs are reminded, however, to be open and co-operative in their dealings with the Bank.

Investor Money

7. The IMR comes into effect from 1 July 2016 and introduces a number of obligations to report matters to the Central Bank using the Online Reporting System.

¹ S.I. No. 105 of 2015 issued pursuant to Section 48 of the Central Bank (Supervision and Enforcement) Act 2013

² See Appendix A for outline

8. For the avoidance of doubt, any issue identified during the course of an Investor Money Examination (“IMR Audit”) must be reported to the Central Bank using the Return, even if the issue was identified by the FSP’s auditors or by Central Bank officers and was noted on an IMR Audit report or in other written communication.

Reporting Requirements

9. A blank Client Asset/ Investor Money Reporting template should be downloaded from the Central Bank’s website at the following [link](#). It should be completed and uploaded as part of the Return on the Online Reporting System.
10. The Return is submitted under the ‘Other Documents’ category on the Online Reporting System, which is categorised as an ad hoc return. Therefore when a FSP wishes to report a breach, potential future breach or other reportable matter using the Return, the Return must first be scheduled by the FSP on the Online Reporting System. Guidance on how to schedule an ad hoc return is available on the Bank’s website:
<http://www.centralbank.ie/regulation/industry-sectors/investment-firms/mifid-firms/Documents/Online%20Reporting%20System%20Ad%20Hoc%20Return%20Scheduling%20User%20Guide.docx>
11. Guidance on how to complete the Return is provided below.

A. Breach

12. FSPs must complete the form in Appendix A, which requires firms to give comprehensive details about the breach. This includes reference to specific dates; background of the breach and its impact on the firm; how the breach was identified; whether it has been rectified; any actions taken or planned to resolve the issue; and any other changes made as a result of the breach.

B. Potential Future Breach

13. In relation to suspected potential future breaches, FSPs must also complete the form at Appendix A. It should capture information including

its probability of occurrence; an estimate as to when the breach may occur; its estimated potential impact; and any mitigation or preventative actions taken or planned.

14. An example of where it would be appropriate for the FSP to report a potential future breach is where an IT issue within, or external to, the FSP is likely to cause the FSP to breach an IMR legislative requirement.

C. Other Investor Money Reporting Obligations

15. When an FSP is obliged to report any matter relating to Investor Money, it must submit also complete the form in Appendix A (Client Asset/ Investor Money Reporting template). Examples of reportable matters include material reconciliation differences and material funding requirements. The FSP should include as much information as possible in relation to any reportable matter.

Appendix A

To be [Downloaded](#) from the Central Bank Website

Client Asset/ Investor Money Reporting Template	
Brief Description of Reportable Matter	<input type="text"/>
Client Assets/Investor Money Oversight Role (PCF 45/46) Name	<input type="text"/>
Has reportable matter been brought to the attention of board and/or Risk Committee?	Yes <input type="checkbox"/> N/A <input type="checkbox"/> No <input type="checkbox"/>

Time Line

Date Reportable Matter Occurred	<input type="text"/>	Possible Future Breach	<input type="checkbox"/>
Date Reportable Matter Recorded	<input type="text"/>		
Date Reportable Matter Rectified	<input type="text"/>	If Applicable	
Regulation (Please record the Regulation relating to the breach/incident or other reporting obligation)			
<input type="text"/>			

Impact

Value	Currency	<input type="text"/>	
	Nominal	<input type="text"/>	
Recurrent	Yes	<input type="checkbox"/>	
	No	<input type="checkbox"/>	
Material	Yes	<input type="checkbox"/>	N/A <input type="checkbox"/>
	No	<input type="checkbox"/>	
Please record the basis for which reportable matter is deemed material as per firm's Client Asset Management Plan (CAMP)/Investor Money Management Plan (IMMP).			
<input type="text"/>			

Detail of Impact/possible impact
Client <input type="checkbox"/> Firm Reputation <input type="checkbox"/> Other
Please provide detail of impact with regard to the above area/s

History/Description of Reportable Matter

Please provide a detailed description of the reportable matter. Include all relevant history including details of all operational areas within the firm impacted by the reportable matter and how it was identified.
Please detail resolution status and/or resolution/ remediation plans.
Please confirm if there is potential for further occurrences and outline the likelihood in this regard. Please detail additional processes or procedures put in place to prevent re-occurrence if applicable.
Please detail any further information you deem applicable pertaining to this reportable matter, error or reporting incident.

Status of Reportable Matter

On-going <input type="checkbox"/> Closed <input type="checkbox"/>
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