



FINANCIAL REGULATOR
Rialtóir Airgeadais

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30 July 2010

Re: Themed Inspection: Minimum Competency Requirements

Dear «Greeting»,

As you may be aware, the Financial Regulator carried out a series of inspections of selected life assurance firms in 2010, focussing on reviewing certain procedures and processes in relation to the Minimum Competency Requirements (“MCR”). The purpose of this letter is to provide the life insurance industry with feedback in relation to the Authorised Officers’ findings on those visits. We expect that you will consider the issues set out below and their relevance to your firm.

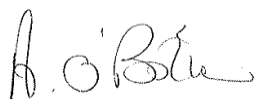
1. The Financial Regulator was encouraged to find that, in the main, firms have comprehensive procedures in place to ensure compliance with the MCR.
2. Firms must have procedures in place to ensure that grandfathered individuals who are recruited from another firm in the financial services industry have experience that is relevant to the role they will carry out in the firm. The verification of this must be documented and recorded.

3. Firms must ensure that all staff, and not only those involved in sales, who are subject to the MCR and whose status requires them to complete CPD, are monitored on an ongoing basis to ensure that the minimum amount of CPD is being completed and that the CPD is relevant to the staff member in question.
4. In the course of the inspections the Financial Regulator noted a number of instances where due to poor record keeping, it originally appeared that individuals had not completed the MCR requirements. Firms must ensure that their records are kept up to date, and where anomalies exist in CPD records, these must be investigated and addressed.
5. Firms must implement procedures to ensure that the Register is kept up to date on an ongoing basis to ensure that consumers are not provided with out of date information.

We appreciate that not all of the issues referred to in this letter may be applicable to your firm. We ask that these findings are brought to the attention of your Compliance Officers and are incorporated into your review of your firm's compliance with the MCR.

Should you have any queries in relation to the contents of this letter, please contact Joe Morley at joe.morley@financialregulator.ie

Yours sincerely



Adrian O'Brien
Deputy Head - Consumer Protection Codes Department