

FUNDS

MASTERCLASS **M**

The Central Bank (Individual Accountability Framework) Act 2023

Implementation by the funds and asset management sector

Who we are

About IOB

IOB is a professional community of over 33,200 members who work in the banking and international financial services sector. Professional development of our members is at the heart of what we do.

IOB provides university level programmes to enable our members achieve and sustain their professional qualifications and continuing professional development (CPD) – essential in meeting customer and regulatory expectations.

6,906 individuals studied with us last year and over 23,000 members are registered for CPD schemes administered by IOB.

Excellence in education – a recognised college of UCD

As a recognised college of University College Dublin (UCD) and the standout banking industry educator, we offer qualifications of the highest standard. We currently have more than 40 programmes ranging from Professional Certificates (level 7) on the National Framework of Qualifications (NFQ) to Masters Degrees (level 9). We design our programmes to be practical and relevant, and grounded in academic rigour.

Accredited Funds Professional

In 2020, IOB launched the new funds designation, Accredited Funds Professional, in collaboration with Irish Funds. This designation seeks to achieve IOB's purpose by supporting through education, high levels of competence in the funds and asset management industry in Ireland and across Europe. The Accredited Funds Professional designation is available to industry professionals who have completed the Professional Certificate in International Investment Fund Services (or earlier versions of the programme) and to those students who have completed the Financial Services Elective as part of the final admitting exams to Chartered Accountants Ireland. In addition, for a limited time, fund professionals with four or more years of relevant experience confirmed by their employer, who meet the programme competencies, may also apply for the designation. The designation will be retained by completing the annual continuing professional development (CPD) requirements.

Becoming an Accredited Funds Professional provides a demonstration of your expertise, client focus and professionalism including your commitment to lifelong learning and to continuously improving your skills and knowledge. It also provides a connection to your peers – a network of like-minded fund professionals. IOB is very grateful for the support that the industry has given to this designation.



Introduction

Welcome to **The Central Bank (Individual Accountability Framework) Act 2023** masterclass, which is offered through IOB a recognised college of UCD.

The Central Bank (Individual Accountability Framework) Act 2023 (“the IAF”) was signed into law on 9 March 2023. Certain elements of the IAF, particularly the Conduct Standards and the new Certification requirements under the Central Bank F&P regime, apply from 29th December 2023.

The Central Bank has published two consultation papers on key aspects of the IAF. The first, CP153, set out draft Central Bank Senior Executive Accountability Regime (SEAR) Regulations and, of particular relevance to this masterclass, draft Central Bank Guidance on the IAF. The second consultation, CP154, set out proposed updates to certain aspects of the Administrative Sanctions Procedure.

Industry participants have many questions in relation to the IAF and the Central Bank consultations. While feedback statements have yet to be published, regulated entities must nevertheless proceed with their IAF implementation plans given the looming application date for the Conduct Standards and the new certification requirements under the F&P regime.

The masterclass will be based on what is the current understanding in relation to the IAF. This may change following the issuance of CBI feedback and final Regulations and final Guidance.

The masterclass will focus on the conduct standards and changes to the F&P regime. It will not cover implementation of the SEAR aspects of the IAF.

At the end of the masterclass, participants will have a good understanding of:

- How to navigate the legal and regulatory requirements. How these fit together and where they stand in terms of implementation dates
- The lessons learned from implementation of the Consumer Protection Code over many years which will assist in understanding the regulatory approach to compliance
- The different conduct standards, who they apply to and how to implement them
- The changes to the Central Bank’s Fitness & Probity regime and what these changes mean for firms and for individuals.

When

Thursday 26th and Friday 27th October, commencing at 8.30am each day.

Who should attend

The masterclass is relevant to all professionals in the funds and asset management industry, from directors of funds, fund management companies, asset management companies and fund service providers as well as all staff employed in these entities.

We look forward to welcoming you to the programme.

Meet the team



Stephen Carty

Stephen is a partner of Maples and Calder's Funds & Investment Management team and leads the Financial Services Regulatory team in the Maples Group's Dublin office. His practice primarily involves representing investment firms and financial institutions in connection with Irish regulatory matters. Stephen's specialist areas include the regulation of investment services in Ireland under the MiFID regime and the UCITS / AIFMD regimes for management companies.

Stephen is a key member of the team at Maples focussed on sustainable finance and assists a wide range of financial institutions on the introduction of SFDR, the Taxonomy Regulation and associated EU sustainable finance measures.

His regulatory expertise captures matters of EU law including IFD / IFR, EMIR, SRD II, SFTR and the Securitisation Regulation.

Stephen joined the Maples Group in 2010 from a large Irish corporate law firm, where he was partner and head of investment funds. He was also previously a partner in a leading Irish law firm, during which time he managed the firm's Tokyo office, with responsibility for Asia.

Stephen has been ranked in The Legal 500 as a "Leading Individual" and in IFLR 1000 as "Highly Regarded". He has also been recommended by Chambers Global where clients report that Stephen: "has exemplary technical knowledge, great communication skills and delivers very clearly and succinctly" "is an excellent problem solver who thinks outside the box" "is very pragmatic and commercially focused" and "is excellent in providing technical advice in a commercial way".



Bernie Mooney

Bernie Mooney has many years experience in consumer protection policy, having led Central Bank policy in this area as Deputy Head of the Consumer Policy & Research Division for 12 years and in other financial regulatory areas of the Bank previous to that role. In her role as Deputy Head, she was actively involved in the development of the Central Bank's Consumer Protection Code, the Code of Conduct on Mortgage Arrears, the Payment Accounts Switching Code, the SME Regulations and the Minimum Competency Regulations. Bernie represented the Central Bank at various domestic and European groups including the ESA Joint Committee Sub-Committee on Consumer Protection and other ESA groups in the area of consumer protection.

Since leaving the Central Bank at the end of 2022, Bernie is working as a Consumer Protection Consultant in the Department of Finance in developing a new national strategy on Financial Literacy. Bernie is also an INED.



Caitriona Hammill

Caitriona currently holds the position of Chief Administrative Officer, Ireland at Northern Trust.

In her current role, Caitriona is responsible for overseeing the governance arrangements for all Irish Legal entities ensuring consistent high standards are being applied. Caitriona will be responsible for the planning and implementation of the Individual Accountability Framework and Senior Executive Accountability Regime which will come into force in Ireland in the near future.

Caitriona previously acted as Head of Northern Trust's third-party Management Company and prior to that held the Risk Manager and Designated Person roles for the entity. Caitriona currently serves as a non-executive director on the company's board.

Prior to this, Caitriona worked in Bank of Ireland Securities Services for six years as Risk Officer, overseeing the company's Custody, Administration and Securities Lending activities. She joined Northern Trust in June 2011 as part of the acquisition of Bank of Ireland Securities Services.

Caitriona holds a Bachelor of Sciences degree in Mathematical Sciences from Dublin City University and holds the Certified Investment Fund Director accreditation.

Meet the team



Grace Burke

Grace is the Ireland Conduct Specialist at Northern Trust.

In her current role, Grace is responsible for the development and enhancement of a sustainable framework to ensure the effective implementation of the fitness and probity regime, act as an SME to support the fitness and probity population and ensure the necessary requirements stipulated under the Central Bank (Individual Accountability Framework) Act 2023 are incorporated.

Grace joined Northern Trust in July 2013 and worked as a Compliance Consultant until her move into her current role.

Prior to this, Grace worked in the Compliance Department in Genworth Financial Insurance and had worked for over 10 years with Irish Life and Permanent predominately within the Compliance Department.

Grace holds a Bachelor of Arts (Hons) with the University of Maynooth, Ireland.

Grace is a Qualified Financial Adviser and holds a Professional Diploma in Compliance. Grace has also completed the Professional Certificate in Consumer Protection Risk, Culture and Ethical Behaviour in Financial Services with the University College Dublin.



Karen Killelea

Karen is head of Maples and Calder's Employment team in the Maples Group's Dublin office. She has over 20 years' experience advising clients on all aspects of employment law including contractual matters, sensitive investigations, employee privacy issues, GDPR, gender pay gap preparation, TUPE, HR aspects of corporate re-structuring and asset disposals, industrial relations, working time, equality issues, executive compensation, removal of directors and senior executives and the protection of confidential information. Karen's recent cases include securing court orders to prevent the theft of confidential information, restraining a team move and defending a High Court challenge to the suspension and investigation of a senior employee. She regularly represents clients before the WRC and the courts and has extensive experience of successful mediation and dispute resolution.

Karen joined the Maples Group as a Partner and Head of the Employment team in 2019. Previously, she was a partner with a large Irish corporate law firm. Before that, Karen worked for Linklaters in their Rome office. She has been ranked and recommended by various independent legal directories:

"She's excellent, calm and detailed. She explains things clearly, making the items easy for us to understand." (Chambers Europe 2023)

"Outstanding employment lawyer – very knowledgeable, commercial and level-headed." (Legal 500 EMEA 2023)

"Emblematic of everything Maples aspires to be. She is singularly and distinctively impressive." (Legal 500 EMEA 2023)

Curriculum

Class 1 Thursday 26th October 2023		
Start time	Topic	Presenter
8:30am	Welcome	Martina Kelly
8:30 to 10:30am	<p>Part 1: Legal & Regulatory</p> <p><i>Overview of the IAF regime</i></p> <ul style="list-style-type: none">• What is in the Act and in each of the CBI publications and draft guidance• Which entities and which individuals are in scope• Matters of particular relevance or importance for the funds and asset management sector – for example to discuss the fund/asset management specific PCF and CF roles• Implications from Outsourcing / Delegation / Allocation of CF-I roles• Implications when sharing roles• Lessons learned from the UK SMCR Regime• Applying SEAR “as best practice” <p>Part 2: The Central Bank approach to conduct standards</p> <p>The Central Bank has a number of statutory codes of conduct, including the Consumer Protection Code. In this part of the class we will have a look at how the Central Bank has approached supervision of compliance with that Code.</p>	<p>Stephen Carty</p> <p>Bernie Mooney</p>

Class 2 Friday 27th October 2023		
Start time	Topic	Presenter
8:30am	Welcome back – Recap Class 1	Martina Kelly
8:30 to 11:30am	<p>Part 1: Conduct Standards</p> <p><i>Conduct Standards</i></p> <ul style="list-style-type: none">• What are they (Common Conduct Standards and Additional Conduct Standards)• Which ones apply to which individuals• An understanding of Standards for Business and latest update on this part of the IAF• Implementation process:<ul style="list-style-type: none">– Reasonable steps approach and how this works or can be applied in practice– How the evidencing and retention of steps individuals should reasonably be expected to take• HR related elements including potential employment contractual changes, performance appraisals:<ul style="list-style-type: none">– CBI’s thematic assessment on embedding an effective conduct-focused culture in firms• Breach reporting requirements• Development of a conduct training programme. <p>Part 2: Enhancements to the Fitness & Probity regime</p> <ul style="list-style-type: none">• A brief overview of Fitness & Probity• What has changed• How does the fitness and probity regime interact with the new requirements• What needs to be done and when• The new F&P Certification process and retention of relevant information• Considerations with respect to succession planning.	<p>Caitriona Hamill</p> <p>Grace Burke</p> <p>Karen Killalea</p>

Further Information

Commencement and Delivery

This online short programme will be delivered over two mornings as follows:

Class 1: Thursday 26th October (8.30 – 10.30am)

Class 2: Friday 27th October (8.30 – 11.30am)

The masterclass is a live online event delivered via Zoom.

Fee

€260

To express an interest

Please visit iob.ie/programme/iaf-masterclass

CPD

The CPD hours outlined below are awarded to each of the following designations.

- AFP** 4 hours
- CIFD** 4 hours
- PB** 3 hours
- CB** 3 hours
- CBD** 3 hours

Preparing for the masterclass

An important aspect of this programme is active engagement in the class discussions, facilitated by breakout sessions. Each participant will contribute their views based on their individual experience in their work within the funds and asset management industry, and these differing perspectives will enrich the learning experience of all students, helping to determine and develop best practice standards.

Experience will also be enhanced through the following recommended pre-reads:

- **CP153 – Enhanced governance, performance and accountability in financial services Regulation and Guidance under the Central Bank (Individual Accountability Framework) Act 2023**
- **CP154 – Consolidated Guidelines in respect of the Central Bank’s Administrative Sanctions Procedure**

Assessment

Assessment is voluntary and is based on an online Multiple Choice Questions (MCQ) examination. The MCQ test comprises 4 questions in relation to each part. The pass rate is 75% (9 of 12 questions.) If this level of correct questions is not achieved, a participant can resit the MCQ test.

Certificate of completion

When you successfully complete this masterclass, you will be awarded with **The Central Bank (Individual Accountability Framework) Act 2023 – implementation by the funds and asset management sector** certificate by IOB.



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