



# Consultation Paper 166

## Prohibition Notices under the Fitness and Probity Regime

# Contents

<b>Chapter 1: Introduction .....</b>	<b>2</b>
Fitness and Probity Regime .....	3
F&P Investigations Pillar .....	3
Legal and Regulatory Framework.....	4
Approach to Enforcement.....	5
Legislative Changes in 2023 .....	5
This Consultation.....	5
<b>Chapter 2: Prohibition Notices .....</b>	<b>7</b>
Nature of Prohibition .....	7
Previous Prohibition Notices .....	7
Effect and Enforcement of Prohibition Notices.....	8
<b>Chapter 3: The Supplemental Guidance .....</b>	<b>9</b>
Purpose.....	9
Determining a Prohibition .....	9
Relevant Circumstances .....	9
Nature, Scope, and Duration .....	10
Cessation of a Prohibition Notice .....	10
Termination of a Prohibition Agreement by the Central Bank ...	11
Revocation of a Prohibition Notice by the High Court .....	11
Publication of a Prohibition Notice .....	11
<b>Chapter 4: Questions.....</b>	<b>12</b>
<b>Annex: The Supplemental Guidance .....</b>	<b>13</b>

# Chapter 1: Introduction

The Central Bank may impose a prohibition on an individual where they do not meet the required standards of fitness and probity. This consultation seeks feedback from stakeholders in relation to the Central Bank's approach to prohibition.

## Fitness and Probity Regime

Central Bank of Ireland regulates the financial sector to ensure it operates in the best interests of consumers and the wider economy. This includes ensuring that financial firms are well run by appropriately skilled, experienced and trustworthy individuals.

The Central Bank introduced the Fitness and Probity (F&P) Regime in 2011 following the enactment of the Central Bank Reform Act 2010. The primary objective of the F&P Regime is to protect the public interest. In particular, the F&P Regime serves to prevent damage to the financial system in Ireland, ensure the continued stability of that system, and protect users of financial services. It does so by ensuring that individuals in senior and customer-facing roles in financial firms are competent and capable, honest, ethical and of integrity, and financially sound.

The F&P Regime is grounded on three key pillars:

- **Obligations of firms.** Financial firms must ensure that relevant personnel meet the required standards of F&P.
- **Pre-approval.** Financial firms must obtain the Central Bank's approval before appointing individuals to senior roles.
- **Investigations.** The Central Bank may investigate individuals where there is a concern in relation to their F&P.

This consultation relates only to the investigations pillar, and in particular to the Central Bank's approach to prohibition.

## F&P Investigations Pillar

The Central Bank may investigate the F&P of individuals who are performing or who previously performed controlled function (CF) roles, including pre-approval controlled function (PCF) roles, in

financial firms. In particular, we may investigate whether such individuals meet our standards of F&P.

An investigation may include the gathering of evidence by way of interviews with an investigation subject or with other persons, and/or by way of requests for information or documents. An investigation may include an oral hearing.

An investigation report is prepared following the completion of an investigation and submissions are invited. The report and any submissions are provided to an independent decision maker for consideration.

The decision maker, who is appointed from a panel established by the Minister for Finance (the Regulatory Decisions Panel)<sup>1</sup>, acts as a delegate of the Central Bank in relation to the prohibition decision. If the decision maker forms the opinion that the individual does not meet the required standards of F&P, the decision maker may impose a prohibition on the individual.

Alternatively, a decision maker may impose a prohibition where there are undisputed facts that render an investigation unnecessary, and the relevant individual has been afforded a reasonable opportunity to make a submission in relation to the matter.

Further [information on the F&P investigations pillar](#) is available on our website.

## Legal and Regulatory Framework

The following legislation and guidance relevant to the F&P Regime is available on our website:

- [Central Bank Reform Act 2010](#)
- [Central Bank Reform Act 2010 \(Procedures Governing the Conduct of Investigations\) Regulations 2023](#) (the 2023 Regulations)

---

<sup>1</sup> The Regulatory Decisions Panel is a panel of decision makers established by the Minister for Finance for the purposes of section 33BI of the Central Bank Act 1942 (as amended), being a panel designated as such by the Minister for Finance under section 97 of the Central Bank (Individual Accountability Framework) Act 2023. The Panel consists of both internal (Central Bank) appointees and external (non-Central Bank) appointees. The Central Bank selects suitably qualified members of the Panel for appointment as prohibition decision makers, taking account of their experience and expertise, availability, and any conflicts of interest.

- [Guidance on Fitness and Probity Investigations, Suspensions and Prohibitions \(April 2023\)](#) (the **Main Guidance**)
- [Fitness and Probity Standards \(November 2025\)](#)
- [Guidance on the Standards of Fitness and Probity \(November 2025\).](#)

## Approach to Enforcement

Administrative enforcement powers are commonly used internationally and are recognised as an important element of financial governance and the achievement of the objectives of financial regulation. Wide-ranging enforcement powers are an integral feature of advanced financial governance systems.

The F&P investigations pillar, which may be applied to individuals in CF/PCF roles, is one of the Central Bank's administrative enforcement procedures. We operate a number of other enforcement procedures in relation to firms and individuals including our Administrative Sanctions Procedure and our assessor regimes.

The Central Bank has a protective mandate, and our first concern is addressing immediate wrongdoing and stopping harm.

Administrative enforcement procedures, as well as supervisory interventions, will often be appropriate mechanisms to use in such cases. We take a holistic approach to the assessment of the most appropriate regulatory response to a particular issue or case.

## Legislative Changes in 2023

The Central Bank (Individual Accountability Framework) Act 2023 (the **2023 Act**) made various amendments to the F&P Regime. These amendments necessitated a number of changes to the Central Bank's regulations and guidance in relation to the F&P investigations pillar. We published the Main Guidance and the 2023 Regulations to coincide with the enactment of the 2023 Act, and we notified various industry representative bodies of these changes by [letter on 21 April 2023.](#)

## This Consultation

Having made the procedural changes required by the 2023 Act, we are now proposing to provide additional guidance to further clarify our prohibition procedures, and we are seeking our stakeholders'

views. The proposed additional guidance, ‘Prohibition Notices under the Fitness and Probity Regime’ (the **Supplemental Guidance**), is included in the **Annex**.

The Supplemental Guidance should be read together with the Main Guidance. In due course, the Supplemental Guidance will be subsumed into the Main Guidance.

The Supplemental Guidance sets out the circumstances that a decision maker will consider when determining the nature of a prohibition, including its scope and duration. It also includes guidance on the Central Bank’s approach to the cessation, termination and publication of a Prohibition Notice, described below in Chapter 2.

This consultation (CP-166) is separate from the Central Bank’s consultation in 2025 on ‘Amendments to the Fitness and Probity Regime’ (CP-160), which did not relate to the F&P investigations pillar.

We welcome the views of stakeholders with regard to the proposals set out, and specifically the questions posed in Chapter 4 below, by email to [ProhibitionsConsultation@centralbank.ie](mailto:ProhibitionsConsultation@centralbank.ie) before 25 March 2026. We will review all feedback received in this timeframe before finalising the Supplemental Guidance and publishing a consultation feedback statement.

# Chapter 2: Prohibition Notices

## Nature of Prohibition

The objectives of the F&P Regime are protective in nature. They include, in particular:

- The need to prevent potential serious damage to the financial system in the State and ensure the continued stability of that system.
- The need to protect the users of financial services.

The imposition of a prohibition serves to secure these public interest objectives by upholding and encouraging the required standards of F&P in individuals who perform CF/PCF roles and by maintaining the public's trust and confidence in the regulated financial sector including in individuals who perform such roles.

Prohibitions will vary by reference to their scope (i.e. the firms and CF/PCF roles covered), duration, and the possible specification of conditions.

## Previous Prohibition Notices

A prohibition is imposed by way of a Prohibition Notice. The Central Bank may publish a Prohibition Notice to achieve the protective purposes of the F&P Regime.

Information in relation to eleven [previous Prohibition Notices](#) is available on our website. Seven of these were imposed for an indefinite duration. Four were imposed for specified periods of 2 years, 5 years, or 10 years.

Examples of misconduct or other failings that have given rise to the imposition of a prohibition in the past include the following:

- Fraud or other serious misconduct in relation to the affairs of a regulated firm.
- Misappropriation of funds.
- Providing false or misleading information or failing to provide material information to the Central Bank.
- Failure to cooperate with the Central Bank.

## Effect and Enforcement of Prohibition Notices

A prohibition reflects the Central Bank's assessment of an individual's F&P to perform a CF/PCF role.

The Central Bank recognises that a prohibition is a serious matter for an individual and may be a serious matter for a firm. We will be guided by the principles of fairness and proportionality when taking action under the F&P investigations pillar and in particular when deciding whether to impose a prohibition.

A Prohibition Notice takes effect (becomes operational) when either it has been agreed in writing between the Central Bank and the relevant individual or it has been confirmed by the High Court.

When a Prohibition Notice takes effect in relation to a PCF role, the Central Bank's approval to perform that PCF role ceases. The exception to this is a prohibition with conditions, which permits the individual to continue performing the role subject to complying with the specified conditions.

Once a Prohibition Notice has taken effect, the prohibited person must not perform a CF/PCF role to which the Prohibition Notice relates. A firm served with the Prohibition Notice must ensure this. The Central Bank may take enforcement action by application to the High Court where a Prohibition Notice is being contravened.

# Chapter 3: The Supplemental Guidance

## Purpose

The main purpose of the Supplemental Guidance is to further clarify our prohibition procedures. To this end, the Supplemental Guidance supplements the ‘Decision’ chapter of the Main Guidance.

In particular, the Supplemental Guidance sets out the circumstances that a decision maker will consider when determining the nature of a prohibition, including its scope and duration. It also includes guidance on the Central Bank’s approach to the cessation, termination and publication of a Prohibition Notice.

In developing the Supplemental Guidance, we have considered various approaches taken by other regulators, national and international.<sup>2</sup> However, comparisons between the F&P Regime and such other frameworks are necessarily limited given their distinct legal contexts.

## Determining a Prohibition

When imposing a prohibition and determining its nature, scope and duration, the decision maker will consider the protective, public interest objectives of the F&P Regime, the relevant circumstances of the case and the proportionality of a prohibition.

## Relevant Circumstances

The Supplemental Guidance provides a non-exhaustive list of relevant circumstances to be considered by a decision maker, as follows:

- The extent to which the individual is not of such F&P as is appropriate to perform the relevant CF/PCF role.
- The degree of risk posed to the achievement of the protective objectives of the F&P Regime.

---

<sup>2</sup> E.g. An Bord Altranais agus Cnáimhseachais na hÉireann, IAASA, Pharmaceutical Society of Ireland, Teaching Council, Medical Council, UK General Medical Council, UK Prudential Regulation Authority, UK Financial Conduct Authority.

- The previous supervisory, disciplinary, criminal and compliance record of the individual.
- The length of time that has elapsed since the occurrence of relevant matters.
- The individual's behaviour since the occurrence of relevant matters.
- Whether the individual has shown an understanding of the relevance of such matters to their F&P.
- The individual's personal circumstances.

## Nature, Scope, and Duration

The Supplemental Guidance explains that a prohibition:

- May range widely in **scope** in relation to the roles and firms to which it applies.
- May be imposed for an indefinite **duration** or a specified period.
- May be imposed with or without **conditions**.

The Supplemental Guidance explains each of these three elements for the benefit of individuals, firms, and decision makers.

The nature of a prohibition will vary depending on the facts of a case. In particular, the Supplemental Guidance explains that the degree of risk posed to the protective objectives of the F&P Regime will be paramount when determining a prohibition. For example, where the risk posed is high, an outright prohibition of wide scope and indefinite prohibition may be appropriate. Where the risk posed is relatively low, a prohibition of a narrower scope and a shorter, specified duration may be appropriate.

## Cessation of a Prohibition Notice

The Supplemental Guidance explains that a Prohibition Notice will cease to have effect where one of the following occurs:

- A prohibition agreement is terminated by the Central Bank.
- A Prohibition Notice is revoked by the High Court.
- A Prohibition Notice expires due to the passage of time.

Where a Prohibition Notice ceases to have effect, the individual may seek to resume performing a CF/PCF role(s) to which the Prohibition

Notice related. However, this is subject to the firm being satisfied that the individual complies with the required standards of F&P. In addition, in the case of a PCF role, as the Central Bank's approval to perform the PCF role ceases when the Prohibition Notice takes effect, a new application must be made to the Central Bank for pre-approval. This application will be assessed by the Central Bank in the usual way.

## **Termination of a Prohibition Agreement by the Central Bank**

A Prohibition Notice may be agreed in writing between the Central Bank, the individual and the relevant firm (if any) as an alternative to an application being made to the High Court for confirmation. Subsequently, the prohibited person may request the Central Bank to terminate any such prohibition agreement, upon which the Prohibition Notice would cease to have effect. The Supplemental Guidance explains the circumstances that the Central Bank will consider when it receives such a request.

## **Revocation of a Prohibition Notice by the High Court**

An application may be made to the High Court for an order revoking or varying a Prohibition Notice that the Court previously confirmed. The Supplemental Guidance explains that, in general, it will be a matter for the prohibited person to make any such application to the Court, and to satisfy the Court that it should make any such order.

## **Publication of a Prohibition Notice**

The Central Bank may publish a Prohibition Notice. The Supplemental Guidance explains that the publication of a Prohibition Notice is an important measure for achieving the protective purposes of the F&P Regime.

## Chapter 4: Questions

The Supplemental Guidance will further clarify our prohibition procedures. In due course, the Supplemental Guidance will be subsumed into the Main Guidance.

We are seeking the views of our stakeholders on the Supplemental Guidance. In particular, we welcome responses to the following questions.

**Question 1:** Is the Supplemental Guidance helpful? What other information would be useful to include?

**Question 2:** Do you have any observations on the circumstances relevant to prohibition as set out in Table 1 of the Supplemental Guidance?

**Question 3:** Do you have any observations on any other aspects of the Supplemental Guidance?

Responses should be provided by email to [ProhibitionsConsultation@centralbank.ie](mailto:ProhibitionsConsultation@centralbank.ie) before 25 March 2026.

We will review all feedback received in this timeframe before finalising the Supplemental Guidance and publishing a consultation feedback statement.

Respondents should note that the Central Bank publishes all responses to consultations on our website. Information relating to specific cases and/or commercially confidential information should not be included in consultation responses. Information deemed potentially libellous or defamatory will not be published. We accept no liability in respect of any information provided, which is subsequently released, or in respect of any consequential damage suffered as a result.

# Annex: The Supplemental Guidance

**[Contained in a separate file.]**



T: +353 (0)1 224 5800

E: [ProhibitionsConsultation@centralbank.ie](mailto:ProhibitionsConsultation@centralbank.ie)  
[www.centralbank.ie](http://www.centralbank.ie)



Banc Ceannais na hÉireann  
Central Bank of Ireland  
Eurosystème