Banc Ceannais na hÉireann
Central Bank of Ireland
Eurosystem

Feedback Statement

Prohibition Notices under the Fitness and Probity Regime (CP166)

July 2026

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Introduction

This Feedback Statement describes the outcome of our consultation on Prohibition Notices under the Fitness and Probity Regime.

Consultation Paper 166

Consultation Paper 166 Prohibition Notices Under the Fitness and Probity Regime was published on 28 January 2026. In it we described the investigations pillar of our Fitness and Probity Regime and the nature and purpose of our power to impose a prohibition – a protective measure that forbids a person from performing a controlled function in a regulated financial firm in order to protect users of financial services and the financial system itself.

We sought feedback from our stakeholders on our proposal to clarify our procedures in this area and to this end we published draft **Supplemental Guidance** on Prohibition Notices Under the Fitness and Probity Regime (available on our consultation webpage).

The draft Supplemental Guidance set out the circumstances that a decision maker will consider when determining the nature, scope and duration of a prohibition. It also described our approach to the publication of a Prohibition Notice and the ways in which a prohibition may come to an end.

On 11 March 2026 we hosted a webinar to explain the purpose of the consultation and the content of the draft Supplemental Guidance. The webinar was attended by approximately 150 individuals. The feedback was positive, with attendees welcoming the opportunity to ask questions and hear directly from the Central Bank during the consultation process.

The consultation closed on 25 March 2026. We received eight submissions. Six of these were from industry/representative bodies and two were from professional individuals. The submissions are published on our consultation webpage at the link above.

This Feedback Statement summarises the most relevant and consistently raised feedback that we received and sets out our responses. We have carefully considered the feedback, which

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focused on topics such as the circumstances relevant to prohibition; the termination of a prohibition agreement; the publication of a Prohibition Notice; and case statistics and timelines. Some of the feedback has led us to amend the Supplemental Guidance.

In addition to the amendments that we have made to reflect the feedback received, we have made a number of technical amendments to improve the clarity of the Supplemental Guidance and to align it more closely with the legislative framework. These amendments do not alter the substantive approach set out in the Supplemental Guidance.

The final Supplemental Guidance, which is included in the **Appendix**, is now available on the fitness and probity enforcement page of our website.

As noted in Consultation Paper 166, in due course the Supplemental Guidance will be subsumed into our **Main Guidance** in this area – the guidance on Fitness and Probity Investigations, Suspensions and Prohibitions (April 2023). We will update stakeholders in this regard at the appropriate time.

The Supplemental Guidance is effective from 30 July 2026.

High Court Judgment

On 17 April 2026, the High Court published a judgment in which it refused to confirm a one-year Prohibition Notice issued by the Central Bank in February 2022.[1] While the Court made a number of findings in that case in relation to natural and constitutional justice and fair procedures, the judgment did not address the core aspects of the Supplemental Guidance, namely the circumstances that a Prohibition Decision Maker will consider when determining the nature, scope and duration of a prohibition; the publication of a Prohibition Notice; and the ways in which a prohibition may come to an end. The implications of the judgment for our fitness and probity investigation and prohibition procedures more generally, and specifically oral hearings, are currently under review and we will continue to engage with our stakeholders in this regard.

[1] *Central Bank of Ireland v CD* [2026] IEHC 203.

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Summary of Feedback and Our Responses

This section summarises the feedback received in relation to each of the three consultation questions and sets out our responses.

We welcome the positive feedback and constructive suggestions received from consultation respondents. We have carefully considered the feedback, and we have made some targeted and appropriate amendments to the Supplemental Guidance. Most of the feedback received was provided by reference to the three questions asked in Consultation Paper 166 and we have followed this structure below.

Feedback on Question 1

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

In response to this question, respondents welcomed the Supplemental Guidance with several noting that it was helpful, clear and transparent. Respondents particularly welcomed the clarifications in relation to the prohibition decision-making process and the separation between the investigation stage and the prohibition decision stage. The guidance on the role of the Prohibition Decision Maker (drawn from the Regulatory Decisions Panel) was noted as providing a helpful safeguard in relation to independent decision-making.

Several respondents made suggestions for additional guidance and/or raised a number of queries, including the following:

1. That clarification might be provided regarding the Central Bank's expectations of a firm where an individual who was previously prohibited seeks to resume a controlled function role following the expiry or termination of the prohibition. For example, whether a firm is expected to undertake "*enhanced due diligence*" in relation to the relevant individual.
2. That additional information on the publication of Prohibition Notices would be provided, including examples of when

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publication would (and would not) occur. Also, that the procedure and principles for publication might be given further consideration including the personal circumstances and privacy considerations of the individual. Finally, that the length of time that a Prohibition Notice remains published on the Central Bank's website after expiry would be addressed.

3. That the Central Bank would maintain a register of approved and prohibited persons, referring to the approach of the Financial Conduct Authority in the UK, to assist in transparency and to assist firms in conducting due diligence on individuals seeking appointment to controlled function roles. Also, that the Central Bank would publish statistics on the numbers of actions taken under the fitness and probity investigations pillar (investigations conducted and prohibitions determined) in a given year.
4. That anonymised case studies / examples of prohibitions with conditions would be published to illustrate what this may look like in practice.
5. That the Supplemental Guidance would clarify how a prohibition decision will balance the assessment of an individual's fitness and probity with the board's collective suitability.
6. That examples of "*safe harbours*" / good practice for individuals would be provided, noting that an individual should not be blamed for institutional or systemic failures.
7. That the importance of complying with a Prohibition Notice (including with any conditions imposed) might be emphasised further in the Supplemental Guidance, given the very serious consequences of non-compliance including contempt of Court.

Our Response to Feedback on Question 1

We welcome the positive feedback and the constructive suggestions received. We have responded below. The numbering of our responses follows the numbering above.

1. The Central Bank's expectations on the due diligence obligations of firms are beyond the scope of Consultation Paper 166 and the Supplemental Guidance. However, see

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Chapter 3 of our Guidance on the Fitness and Probity Standards (November 2025) in this regard, including the section entitled "*Criminal, Civil and Regulatory Actions*" at p.59 *et seq*. In summary, a firm is not expected to undertake "*enhanced due diligence*" in relation to an individual who was previously prohibited. However, such a firm will need to satisfy itself in the usual way that the individual complies with the required standards of fitness and probity, and this will include consideration of the fact that the individual was previously prohibited.

2. We have revised the Supplemental Guidance to provide additional information on the decision-making process for publishing Prohibition Notices, and we have clarified the factors considered when making that decision, including the personal circumstances and privacy considerations of the individual. We have also noted that appropriate redactions may be applied to any such publication. In relation to the length of time that a Prohibition Notice remains published on the Central Bank's website, the Supplemental Guidance refers to the Central Bank's Data Protection Privacy Notice, which addresses this issue under the heading "*Individuals Directly or Indirectly Connected to an Enforcement Investigation*". We have clarified this in the Supplemental Guidance.
3. We do not maintain a public register of all individuals in controlled function roles (including pre-approval controlled function roles). This is beyond the scope of Consultation Paper 166 and the Supplemental Guidance. However, where appropriate we do publish information in relation to Prohibition Notices on our website, including information identifying prohibited individuals. At present, there are 12 such published statements relating to 10 current and 2 expired Prohibition Notices. The website is updated as required to reflect any changes. This information should be of assistance to firms conducting due diligence. We also publish information in relation to enforcement actions under our other enforcement frameworks in relation to both individuals and firms. Finally, noting the request for the publication of statistics for actions taken under the fitness

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and probity investigations pillar, we will consider this when preparing our next Annual Report.

4. To-date, we have not imposed any prohibitions with conditions (i.e. prohibitions where the individual may continue in their role subject to complying with specified ongoing conditions) and therefore we cannot produce anonymised case studies. The detailed facts of each case would be highly relevant so there is limited value in speculating in the absence of such facts as to how a condition might work in practice. This may become clearer over time.
5. Collective suitability is addressed in Chapter 4 of our Guidance on the Fitness and Probity Standards (November 2025) in the section entitled "*Collective Suitability, Diversity and Inclusion*" (p.91 *et seq.*) Collective suitability has not been included in the Relevant Circumstance Guidance (Table 1 of the Supplemental Guidance) as it is difficult to envisage a scenario in which the collective suitability of a board of directors will be relevant to the consideration, by a Prohibition Decision Maker, of an individual's fitness and probity to perform a controlled function role, or to the subsequent imposition of a prohibition to secure the protective objectives of the Fitness and Probity Regime.
6. Fitness and probity enforcement actions are concerned with the suitability of individuals to perform controlled function roles (and the risk that they may present to users of financial services and the financial system) and not with the investigation of failings / contraventions at an institutional level. We refer readers to our Guidance on the Individual Accountability Framework in this regard. In respect of requests for examples of "*safe harbours*" and what would be considered good practice for individuals, what is most important in the context of fitness and probity is that a person complies with the relevant standards; in particular, that they are appropriately competent and capable and that they are a person of honesty and integrity. Whether a person meets these standards will be a matter to be assessed in the circumstances of a specific case. Our Fitness and Probity Standards (November 2025) and our Guidance

on the Fitness and Probity Standards (November 2025) should be helpful in this regard.

7. The importance of complying with a Prohibition Notice is addressed in the Main Guidance. Paragraph 81 provides that "*A person must not perform a CF where to do so would contravene a Prohibition Notice which has been served on them and which has taken effect...*" The Main Guidance goes on to say at paragraph 88 that a Prohibition Notice that has been confirmed by the High Court "*takes effect as an order of the High Court and may be enforced accordingly*". Separately, in respect of a Prohibition Notice that is the subject of a prohibition agreement, paragraph 83 provides that "*Where there has been a breach of an agreement by the Subject or a relevant entity, the Deputy Governor may apply to the High Court for an order directing such a person to comply with the agreed Prohibition Notice. Such an application can be made without notifying the Subject or relevant entity.*" Regarding conditions in particular, any conditions specified in a Prohibition Notice form part of the Prohibition Notice. As such, the obligation to comply with a Prohibition Notice comprises the obligation to comply thoroughly with any conditions specified in the Prohibition Notice and a breach may be enforced accordingly. We have clarified this in the Supplemental Guidance.

Feedback on Question 2

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

Respondents welcomed Table 1 (the 'Relevant Circumstances Guidance') and noted that it presents a clear and balanced framework. Respondents also welcomed the comprehensive, yet non-exhaustive nature of Table 1 and the relevance of the circumstances to prohibition, as well as the provision of illustrative examples. Respondents supported the inclusion of remediation and insight/remorse as circumstances relevant to prohibition, with one respondent noting that these align with the goal of internalising

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ethical norms. A respondent supported the inclusion of the passage of time as a circumstance that goes to the proportionality of any prohibition. A respondent agreed that isolated incidences of error may be less likely to lead to a higher degree of risk; and also noted the view that, as a matter of proportionality, genuine mistakes should not attract punitive measures.

Several respondents suggested additions to Table 1 and/or raised queries, including the following:

1. The addition of a relevant circumstance regarding the likelihood of repeated conduct.
2. That the Supplemental Guidance would note that several of the relevant circumstances in Table 1 may arise together in a given case and how a Prohibition Decision Maker would approach this.
3. The inclusion of examples of "*mitigating*" circumstances to encourage consistency of decision-making and to ensure transparency.
4. The inclusion of a "*look-back period*" for an individual's previous record (Circumstance C) and that consideration would be given to the passage of time in this context.
5. That clarification and examples might be provided of how an individual may evidence their insight (Circumstance F), noting potential challenges around access to records when an individual is no longer employed at a relevant firm.
6. That the Supplemental Guidance might describe how the Central Bank manages cases where an individual has health issues (Circumstance G).
7. That the Supplemental Guidance might describe how material discrepancies between an individual's and a firm's descriptions of circumstances will be managed by the Central Bank.
8. That there may be a level of overlap or duplication between the relevant circumstances in Table 1; as such, each circumstance might be listed separately so as to ensure delineation and avoid confusion.
9. That it may be helpful to divide the relevant circumstances in Table 1 into "*mitigating*" and "*aggravating*" factors, citing the approaches taken in various professional disciplinary regimes.

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Our Response to Feedback on Question 2

We welcome the detailed feedback received and the constructive suggestions on the Relevant Circumstances Guidance in Table 1. We have responded below. The numbering of our responses follows the numbering above.

1. We have not introduced a standalone, additional circumstance regarding the likelihood of repeated conduct as this is already addressed in Table 1 at Circumstance B, which provides for (among other matters relevant to the degree of risk posed) "*The duration, frequency or repetition of any matters indicating a lack of fitness and probity*".
2. The Relevant Circumstances Guidance provides that the Prohibition Decision Maker may have regard to the cumulative effect of, and interaction between, relevant circumstances arising together. It also provides that the Prohibition Decision Maker will determine the weight to be given to each of the relevant circumstances in a given case. We have clarified the text in this regard, and we have moved this text to a more prominent location above Table 1.
3. The metric relevant to prohibition (a protective measure in the public interest) is that of risk – the risk posed to the financial system and the risk posed to users of financial services. The Relevant Circumstances Guidance does not refer to "*mitigation*"; however, it refers to the degree of risk posed and notes that this will vary in the circumstances of each case. Examples are provided of what can be considered in this regard.
4. The legal framework does not apply a cut-off period beyond which a person's previous record is deemed irrelevant. This is a matter on which the Prohibition Decision Maker will exercise their judgment on a case by case basis. However, we have clarified in Circumstance C of Table 1 that the passage of time since the relevant previous record is a circumstance that may be taken into account where relevant.

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5. In terms of how a Subject can evidence matters such as insight/remorse, the applicable procedural regulations (regulation 12 of S.I. 190 of 2023) and the Main Guidance (at paragraph 77) explain that an individual will be invited by a Prohibition Decision Maker to make submissions in respect of a proposed prohibition and that any such submissions will be considered before any decision is made. Regarding access to records, we cannot give legal advice on what right of access to information an individual may have in respect of a specific firm or the obligations that a firm may have to disclose information to an individual in the context of regulatory enforcement procedures. However, we expect firms to reasonably assist individuals by providing them with access to information that will help them to engage with such procedures. Such assistance is understandably very important to individuals who are current or former employees of a firm. This is particularly the case given the distinguishing circumstances that apply to individuals where ownership of information lies with the firm rather than the individual. In addition to the fair treatment of individuals, there is a public interest in effective cooperation within the regulated financial services sector and timely resolution of regulatory investigations, and firms have a role to play in this also.
6. In terms of how the Central Bank manages and progresses fitness and probity cases where an individual has raised health issues, this is a matter to be considered by the appointed investigator (at investigation stage) and by the appointed decision maker (at prohibition decision-making stage). The investigator and the Prohibition Decision Maker will consider any relevant health issues appropriately brought to their attention in light of the particular circumstances of each case, while noting the clear public interest in progressing and concluding fitness and probity enforcement procedures as well as the obvious importance of protecting users of financial services and the financial system from a risk of harm. Table 1 (Circumstance G) provides that the personal circumstances of the individual

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are considered when determining the nature, scope and duration of a prohibition.

7. In terms of how the Central Bank manages and progresses cases where there are material discrepancies in the information/evidence provided by an individual and by a firm, this is a matter to be considered at the investigation stage in particular. For example, an investigation may include an oral hearing where there is an issue of fact in dispute between an individual and a firm and this cannot be resolved fairly without such a hearing, or where the credibility of an individual or witness needs to be tested.
8. We have sought to ensure that there is as little overlap as possible between the circumstances set out in the Relevant Circumstances Guidance while at the same time producing a manageable list with a limited number of (non-exhaustive) circumstances. While some of the circumstances set out (such as previous record) are also addressed in the applicable standards of fitness and probity, those standards apply primarily to the context of forming an opinion on a person's fitness and probity, whereas the Relevant Circumstances Guidance relates to the determination of a prohibition. Prohibition Decision Makers will consider the Relevant Circumstances Guidance by reference to the unique factual matrix of each case.
9. We have not divided the Relevant Circumstances Guidance into "*aggravating*" and "*mitigating*" circumstances. In addition to the points made above at number 3, we are mindful of the Prohibition Decision Maker's discretion to consider the Relevant Circumstances Guidance by reference to the unique factual matrix of each case.

Feedback on Question 3

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

Respondents welcomed the provisions on conditions as being a positive step towards professionalism by remediating a person's skills deficits in appropriate cases rather than excluding them from

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controlled function roles. They also welcomed the specific examples of conditions provided, as well as and the proposed integration of the Supplemental Guidance into the Main Guidance in due course.

Respondents had suggestions and queries on other aspects of the Supplemental Guidance, including the following:

1. That the Supplemental Guidance might stipulate a minimum period before the expiry of which a prohibited person cannot seek to have their prohibition terminated by the Central Bank or revoked or varied by the High Court.
2. That the Central Bank would consider the appropriateness of the process for making a subsequent application to the High Court for an order varying or revoking a Prohibition Notice where the Court previously confirmed that Prohibition Notice. In particular, that the Central Bank would consider whether it is proportionate in all cases to require a prohibited person to make such an application given this may be expensive.
3. That indefinite prohibitions must be carefully balanced against a person's constitutional right to pursue their livelihood, and that publication as a key measure for maintaining public trust should be weighed carefully against the reputational cost of public identification.
4. That it would be helpful to understand whether the Central Bank considers directors who have been disqualified under the Companies Acts as being automatically prohibited from performing controlled function roles.
5. That given enforcement proceedings can take some time, be costly and may result in reputational damage to an individual or firm, it is important to focus on proportionality and procedural efficiency. As such, the Supplemental Guidance might helpfully include timelines for different process stages (e.g. anonymised statistics on average duration), and the Central Bank should identify the key areas of concern at an early stage to focus the investigation. In addition, information requests should be proportionate.
6. That consideration may be given to providing further guidance on the circumstances in which a hearing before a Prohibition Decision Maker may be required in order to afford

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fair procedures. Also, that further guidance could be provided on the procedures by which a person may proffer evidence in support of submissions relating to the matter of prohibition, such as references or evidence of rehabilitation/remediation, and the procedures for testing and assessing any such evidence. In this context, that a legal assessor may be empanelled (similar to the approach taken in some professional disciplinary regimes) to assist and advise a Prohibition Decision Maker in respect of procedural or evidential issues.

7. That consideration might be given to aligning the tests for the termination of a prohibition agreement by the Central Bank, and the revocation or variation of a Prohibition Notice by the High Court.

Our Response to Feedback on Question 3

We welcome the feedback received and the constructive suggestions on other aspects of the Supplemental Guidance. We have responded below. The numbering of our responses follows the numbering above.

1. We have not stipulated a minimum period before which a prohibited person cannot request to have their prohibition terminated by the Central Bank or revoked or varied by the High Court. The legislation does not provide for such a time restriction.
2. The legislation permits either the Central Bank or the prohibited person to make an application to the High Court for an order varying or revoking a Prohibition Notice where the Court previously confirmed that Prohibition Notice. The order of the Court confirming the Prohibition Notice will have been made following a Court hearing. The prohibited person is the respondent in any such application by the Central Bank and may contest the application before the Court. Where, following the Court's order confirming the Prohibition Notice, the person subsequently wishes to ask the Court to make a different order, that will usually be a matter for them. However, neither the Main Guidance nor the Supplemental Guidance provide for a process whereby

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it must in all cases be the prohibited person who makes such an application. For example, the Supplemental Guidance notes at paragraph 33 that "*While the Bank may also make such an application, in general, it is for the Subject to make any such application and to satisfy the Court that it should make any such order.*"

3. We acknowledge the importance of fair procedures and the balance to be struck between a protective measure such as a prohibition (and the publication of a Prohibition Notice) and a person's right to a earn a livelihood and right to a good name. The Supplemental Guidance emphasises that the Prohibition Decision Maker must act proportionately and have regard to the Relevant Circumstances Guidance, including the personal circumstances of the individual, alongside the objectives of protecting users of financial services and the financial system itself.
4. While in appropriate cases the Central Bank may impose a prohibition on an individual who has been disqualified under the Companies Acts, this is not in any way automatic. The processes are distinct and they operate under separate statutory regimes. The Central Bank will apply the procedures set out in the legislation governing fitness and probity matters before imposing any prohibition.
5. While case timelines vary significantly depending on matters such as complexity, the level of cooperation we receive, the nature of the issues under investigation and legal challenges, we are committed to conducting our investigations and prohibition procedures efficiently and proportionately and we draw on our technological capabilities in doing so. Based on previous published prohibition cases, the average timeline has been approximately 20 months from the date of the decision to commence an investigation to the date of the decision to impose a prohibition. However, an investigation may take longer where the matter is complex, for example where it involves an oral hearing and/or the review of a large volume of documentation; or where an investigation subject is ill or is not cooperating or engaging with the investigation. The subsequent prohibition decision-making process is subject

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to statutory timelines for cases which are disputed (contested). Thereafter, the final conclusion of the case (assuming a prohibition has been imposed) is dependent on whether or not the individual agrees to comply with the Prohibition Notice. If not, then the Central Bank must apply to the High Court for an order confirming the Prohibition Notice. The determination of this application by the High Court will depend on whether the individual contests the application, the complexity of the case and the availability of Court time and resources to hear and determine the application.

6. As referred to in the Introduction section of this Feedback Statement, the processes and procedures for oral hearings (including evidence) are under consideration and we will engage with stakeholders on these in due course. In respect of the suggestion that Prohibition Decision Makers have legal assessors working with them on cases, it is open to Prohibition Decision Makers to request legal advice when required.
7. The statutory threshold for the Central Bank to terminate a prohibition agreement is different to the statutory threshold for the High Court to vary or revoke a confirmed Prohibition Notice. In particular, the Central Bank may terminate a prohibition agreement if the Central Bank "*considers that there is no further need to continue a prohibition notice that is the subject of an agreement*". Whereas, the Court may make an order varying or revoking a previously confirmed Prohibition Notice "*if the Court is satisfied that (a) since the confirmation of the prohibition notice … there has been a change in circumstances, and (b) the change is such that, if an application for confirmation were made at the time of the [confirmation application] … a different decision would be taken in relation to the application for confirmation*".

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Appendix: Supplemental Guidance (July 2026)

Supplemental Guidance: Prohibition Notices under the Fitness and Probity Regime (July 2026)

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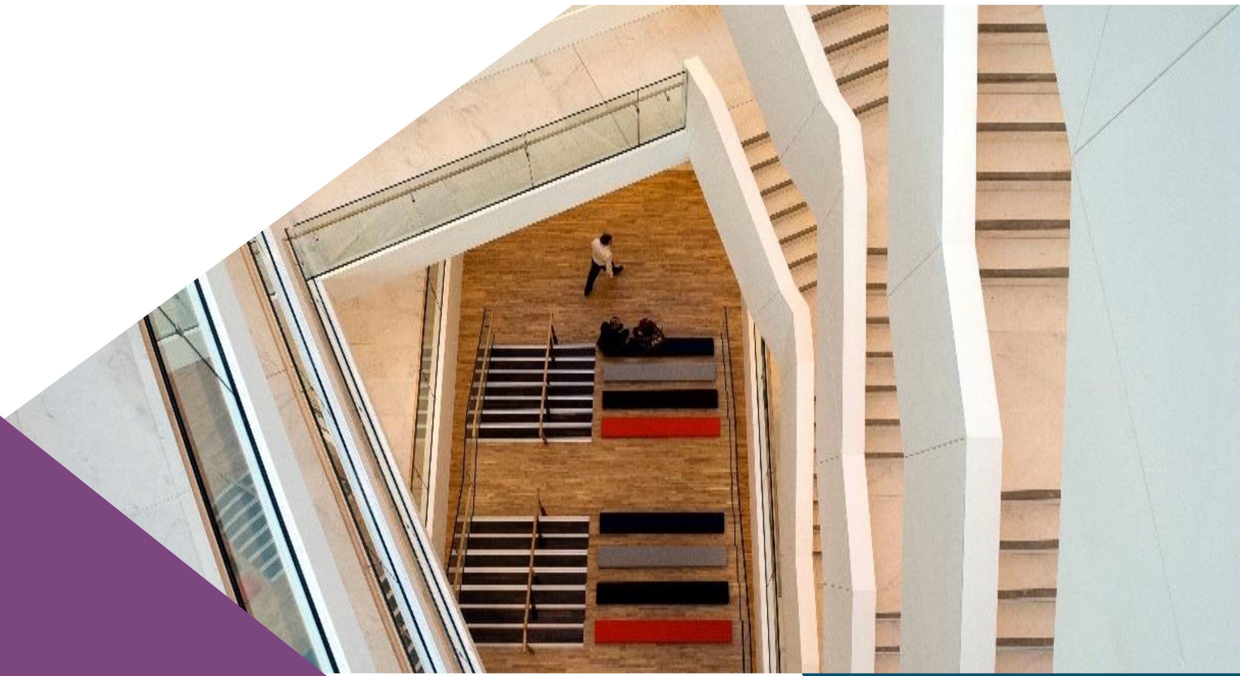

T: +353 (0)1 224 5800
E: publications@centralbank.ie
www.centralbank.ie

Banc Ceannais na hÉireann
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