

ASSET COVERED SECURITIES ACT, 2001
AMENDED REGULATORY NOTICE (Section 59(6))

This regulatory notice is issued pursuant to Section 59(6) of the Asset Covered Securities Act, 2001 (the "Act"). The effective date of this notice shall be the 12th day of November 2002.

1. A word or expression that is used in this regulatory notice and is also used in the Act has, unless the contrary intention appears, the same meaning in this regulatory notice as in the Act.
2. Section 59(6)(a) of the Act provides that the Central Bank of Ireland (the "Authority") may, by regulatory notice notified in Iris Oifigiúil, specify the qualifications required in order for a person to be appointed as a cover-assets monitor
3. The qualifications for an appointment as a cover-assets monitor in respect of a designated credit institution are set out below:
 - (a) A cover-assets monitor must be a body corporate or partnership, comprising personnel and partners respectively who are members of a professional representative body. The cover-assets monitor must demonstrate to the satisfaction of the Authority that it is experienced and competent in the following areas:
 - (i) financial risk management techniques;
 - (ii) regulatory compliance reporting; and
 - (iii) capital markets, derivatives, public credit business and mortgage credit business as applicable.
 - (b) A cover-asset monitor must demonstrate that it has sufficient resources at its disposal, and [its personnel or partners] must have sufficient academic or professional qualifications and experience in the financial services industry to satisfy firstly the designated credit institution and secondly the Authority, that it is capable of fulfilling this role.
 - (c) A cover-assets monitor should possess adequate professional indemnity insurance to the satisfaction of the designated credit institution.

- (d) The books and records of a cover-assets monitor must be held in the State.
- (e) A cover-assets monitor must not be an affiliate of the designated credit institution or of any affiliate of the designated credit institution.
- (f) Neither a cover-assets monitor nor any of its affiliates may be engaged as auditor or legal advisor to the designated credit institution or any affiliate of the designated credit institution to which it seeks appointment. Neither a cover-assets monitor of a designated credit institution nor any of its affiliates may provide any other services to that designated credit institution or any of its affiliates unless it is first established to the satisfaction of the Authority that the provision of such services does not and will not create any conflict of interest with the performance by the cover-assets monitor of its duties and responsibilities under the Act and the regulatory notices.
- (g) A cover-assets monitor must not hold any shares or similar interest in the designated credit institution or in any affiliate of the designated credit institution.
- (h) Save as permitted by the Act, the regulations and any regulatory notices or orders made under the Act, a cover-assets monitor must not be involved in any decision-making function or directional activity of the designated credit institution or any of its affiliates, which could unduly influence the judgement of management of the designated credit institution or its affiliates.

For the purposes of this regulatory notice the word "affiliate" shall mean a related company.

The above list is not exhaustive and the Authority reserves the right to amend, add or delete requirements as it sees fit.

This regulatory notice was published in "Iris Oifigiúil" of 12 November 2002.

The Central Bank of Ireland