



REGULATORY UPDATE 01/2010 (12 January 2010)

Special Edition: Central Bank Announces New Head of Financial Institutions Supervision

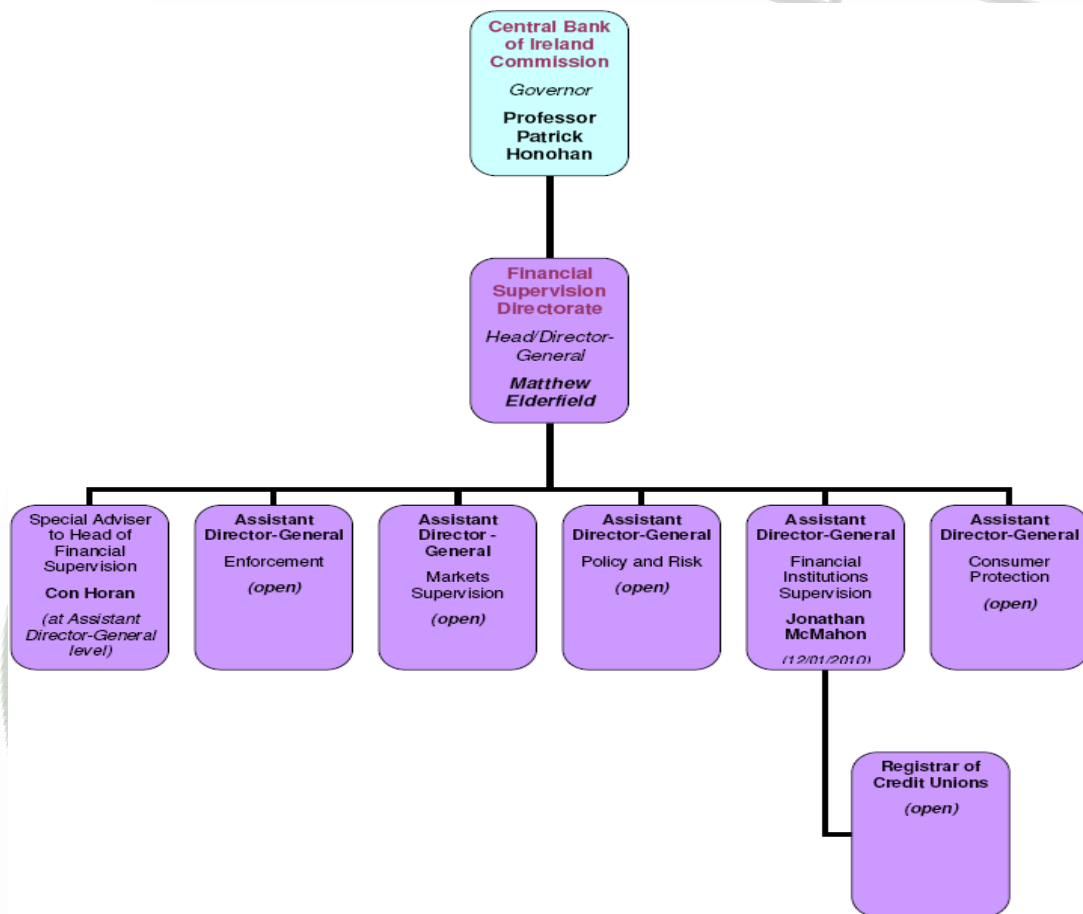
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Proposed Regulatory Structure following announcement of Jonathan McMahon



The Central Bank continues appointing persons to senior roles at the Financial Regulator. **Compliance Ireland** has created the above organisational chart to show how the senior roles fall within the new structure.

Today's announcement, of the appointment of Jonathan McMahon to the position of Assistant Director-General (ADG) (responsible for Financial Institutions), is the first appointment of an ADG within the Financial Regulator. In late 2009 Con Horan was announced as Special Adviser to Matthew Elderfield, which although at the level of ADG, is not an ADG position.

The Central Bank intends to advertise next week for a further ADG to head Consumer Protection. In total five ADG's roles have been identified by the Central Bank. Including the post of Con Horan, Mr Elderfield's position of Director-General (Head of Financial Regulation) will have at least six direct reports.

Jonathan McMahon was previously a director at Promontory Financial Group based in London. At Promontory, Mr. McMahon focused on banking and risk management matters. He worked with banks and public sector bodies globally during the financial crisis. He led Promontory's work with the UK's National Audit Office on its reviews of the UK government's actions during the financial crisis.

Mr McMahon's previous experience includes working at UK's Financial Services Authority (FSA) for seven years where he led supervision and research teams, and was actively involved in the reform of the regulatory regime for retail intermediaries in the UK.

His responsibilities in the Central Bank will include oversight of the supervision of banks and insurance companies. Interestingly, the new Registrar of Credit Unions (applications closed Friday 8 January 2010) will report into Mr McMahon's division.

As noted in the above organisation chart, the Central Bank is recruiting for three other ADG positions (Enforcement, Market Supervision and Policy & Risk) and will advertise next week for a further ADG to head up the Consumer Protection function.

Matthew Elderfield welcomed the appointment of Mr McMahon stating that his appointment is an important step in creating the new regulatory structure. Mr Elderfield added that "his experience will allow the organisation to develop a new risk-based supervisory approach for our key financial institutions."

Further reading:

- 1) Newsletter 12/2009 - Announcement of new management structure at Central Bank and Financial Regulator
http://www.complianceireland.com/documents/CI_Newsletter_Dec09_12_web.pdf
- 2) Newsletter 11/2009 - Analysis of first public speech by Governor of Central Bank
http://www.complianceireland.com/documents/CI_Newsletter_Dec09_11_web.pdf
- 3) Newsletter 9/2009 - Announcement of Matthew Elderfield to position of Head of Financial Supervision
http://www.complianceireland.com/documents/CI_Newsletter_Oct09_09_web.pdf
- 4) Appointment of Professor Patrick Honohan to Governor of Central Bank of Ireland
http://www.complianceireland.com/documents/CI_Newsletter_Sept09_07_web.pdf

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Newsletter 01/2010 – January 2010

page 3/3

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