

# Information booklet for **small and medium enterprises** in or facing **financial difficulties**

This document contains important information for customers who think they might be, or find themselves in, financial difficulties

**The Central Bank of Ireland has implemented regulations (the “SME Regulations”) which introduce conduct of business rules for regulated firms providing credit to SMEs. In summary, the rules cover:**

- Processing applications
- Advertising of credit
- Complaints handling
- Dealing with guarantors
- Annual reviews
- Dealing with customers who are in arrears or financial difficulties

Close Brothers Premium Finance Ireland (CBPFI) have produced this booklet for SME customers in financial difficulty, and aims to give information on the support that we are able to provide. We treat each case individually and our decision is based on the information provided to us and any relevant security that we hold.

Please read all the information contained in this booklet and contact us as soon as possible if you are, or feel you may shortly be, facing financial difficulties.



## What are financial difficulties?

Under the SME Regulations you are considered to be in financial difficulties when one or more of the following events occur:

- Our assessment has deemed you to be in financial difficulties.
- You are in arrears under your credit agreement, or an alternative payment arrangement, for three or more months.

## What should I do if I am in financial difficulties?

We understand that from time to time you may face financial difficulties which could affect your ability to repay your credit agreement with us. If you find yourself in this situation our staff are on hand to help you and can work with you to try to arrive at a solution.

**Below are some steps that enable us to help you as soon as possible:**

- Contact us as soon as you realise you are not able to make your repayments.
- Tell us if there are any changes to your financial circumstances that could affect your ability to repay your agreement.
- Once you have made contact to discuss your circumstances with us, please cooperate fully with any information requests within agreed time frames. Any information that you provide must be accurate and correct.
- Keep us informed of any further developments as the situation develops.

**We strongly advise that you contact us and fully cooperate at all stages of our discussions. It is in your best interest to engage with us to resolve your arrears situation. We may classify you as “not co-operating where:**

- You fail to engage with us or respond to our communications.
- You fail to provide the information requested by us in order to assess your financial situation within the timeframes specified; and/or
- The information provided by you is incomplete, false or misleading.

**If we classify you as “not co-operating” then we will not be able to work with you to reach a resolution of your financial difficulties and you may not be eligible for a Temporary Alternative Repayment Arrangement. We will be left with no option but to terminate the credit agreement and request your insurance broker to arrange for all policies covered by the agreement to be cancelled. We may also pursue any security that we may hold. You will remain liable for any money owed under the agreement including any shortfall after the insurance policies have been cancelled.**

**I have informed you of my situation or have been assessed as being in financial difficulties what happens now?**

Once you have informed us of your situation or you have been assessed as being in financial difficulties we will take the following steps:

## **Step 1**

### **Gathering Information**

We will ask you for some financial information, this may include up to date certified audited accounts; up to date management accounts and cash flow; up to date business plan and or a proposal of how you intend to meet the repayment obligations; a profile of your business assets, liabilities, income and expenditure and confirmation of your current tax status. Depending on your business there may be further documents and we will let you know about this if we need more information.

## **Step 2**

### **Assessment for a Temporary Alternative Payment Arrangement**

We will complete an assessment of your position for a Temporary Alternative Payment Arrangement. This assessment will be based on relevant facts, including your particular individual circumstances; your overall indebtedness; business plan and proposal; your repayment capacity and repayment history. We aim to provide you with a decision regarding a Temporary Alternative Payment Arrangement as quickly as possible from receipt of all the relevant documents and information we request. This will normally take less than 15 working days. Complex reviews or exceptional circumstances may take longer. Please note that a Temporary Alternative Payment Arrangement may be not be offered in all cases.

## **Step 3**

### **Communication of Decision**

Once we have made a decision on your Temporary Alternative Payment Arrangement we will communicate our decision and explain the next steps to you.

## **Step 4**

### **Appeals**

If you are unhappy with our decision you will have the opportunity to appeal by writing to us at the address provided in the ‘how do I contact you’ section below. Our appeals panel is comprised of individuals with financial services experience who have not been previously involved in your case. You can appeal our decision not to offer a Temporary Alternative Payment Arrangement or, where we do offer a Temporary Alternative Payment Arrangement, the terms and conditions of that offer. You have up to 20 working days to appeal a decision from the date you are notified of that decision. We will consider your appeal and will write to you with our decision within 15 working days. If we cannot make a decision on your appeal within 15 working days, we will write to you and inform you of the reasons for the delay and when you can expect a decision on your appeal. We will within five working days of completion of your appeal notify you of the decision made by the appeal panel, and provide an explanation for that decision.

**Please note the application of our financial difficulties procedure is without prejudice to our legal rights to enforce any agreement including any credit agreement and related security. They are also dependent on your co-operation in meeting any requests we make of you.**

## What other information should I be aware of?

If you miss any repayment we will be entitled to charge you default fees and interest in accordance with the terms of your credit agreement. Please refer to your credit agreement for more information. Your data in relation to the arrears may be shared with a credit reference agency in accordance with our credit agreement or statutory obligations. This may have an impact on your credit rating and make obtaining credit more difficult in the future.

## Can I appoint a third party to help me?

You should consider whether you need to engage a financial adviser to assist you with the process. Where you do appoint an adviser they can accompany you during any discussions that we have whether they be face to face or by other means.

## Do I have a right to complain?

Yes, if you have a complaint you can contact us by any of the methods shown in the 'how do I contact you' section below. We take all complaints seriously and will endeavour to resolve

the matter straight away. Some complaints do take a little more time to resolve and if we have been unable to resolve your complaint within five working days we will write to you explaining who is dealing with your complaint and will then write to you regularly with updates until your complaint is resolved. If after 40 working days we have been unable to resolve your complaint you may have the right to refer it to the Financial Services Ombudsman, we will provide you with the details of how to do that at the time.

Once we have investigated your complaint we will write to you confirming the outcome, explaining what we are going to do to resolve it for you.

## How do I contact you?

Where you have been classified as being in financial difficulties we will provide you with the name and contact details of a designated individual who will deal with your case throughout the financial difficulties process.

We also have a designated team for dealing with customers in financial difficulties. You can contact them by any of the following methods:

-  Contact us **01 862 2560**
-  Drop an email to **customerservicespfi@closebrothers.com**
-  Go to **www.closebrotherspf.com**

Close Brothers Premium Finance, Building 1 Swift Square,  
Santry Demesne, Northwood, Dublin 9

If you would like any further information about the SME Regulations a copy can be obtained from the Central Bank of Ireland website.

[www.centralbank.ie](http://www.centralbank.ie)