

## Guide for ICS Mortgages SME Borrowers in Financial Difficulties

ICS Mortgages is committed to offering support to SME Borrowers who are finding it difficult to meet their financial obligations.

This section of the website deals specifically with loans issued to small and medium enterprises ('SMEs'), as defined under the Regulations on Lending to Small and Medium-sized Enterprises (SME Regulations).

If you receive a letter or telephone call from ICS Mortgages regarding arrears on your account, please do not ignore it. ICS Mortgages is committed to helping customers who find themselves in financial difficulty and will assess your situation and determine whether there are any options available to your business taking into account your financial circumstances.

The Central Bank of Ireland has introduced regulations to ensure a fair and consistent approach to borrowers who find themselves in financial difficulties.

A copy of this Regulation is available [here](#)

### Regulations for Lending to Small & Medium Enterprises 2015

The revised "Regulations for Lending to Small & Medium Enterprises 2015" came into effect on 1st July 2016. The SME Regulations sets out the requirements that institutions must take when dealing with SMEs in or facing financial difficulties. ICS Mortgages has prepared a detailed booklet for our SME customers, which can be accessed [here](#).

We recommend that all SME borrowers read this information booklet carefully and contact us as soon as possible if they are in or facing financial difficulties.

ICS Mortgages understands that many of our Small and Medium Enterprise (SME) Borrowers are either facing or already experiencing a period of financial difficulty. If this is the case you should contact your ICS Mortgages Case Manager **on 1890 542 542**. Your Case Manager will then arrange an appointment to meet with you, if required, and carry out a full assessment of your overall financial position.

All borrowers are invited to contact ICS Mortgages to arrange an annual review meeting.

The Booklet sets out clear guidelines for both borrowers and for ICS Mortgages in relation to dealing with SME Borrowers who are currently experiencing financial difficulty, or feel they may have difficulty making their loan repayments in the future.

A summary of the process that ICS Mortgages follows is provided below:

#### Step 1: Communication

Communication is the most important step for you and your business. If your business is already in arrears, or you are worried that it may soon be, please contact your designated

ICS Mortgages Case Manager. Alternatively, you can contact our main desk or email us at the details below:

**Call: 1890 542 542 (Mon-Fri 9am to 5.30pm, excluding bank holidays)**

**Email: [customerservice@icsmortgages.ie](mailto:customerservice@icsmortgages.ie)**

It would be beneficial if you could have your account details to hand when contacting us.

Once you get in touch, your ICS Mortgages Case Manager can work with you to explore the different options available to your business to address your arrears. It is important that you engage fully and co-operate with us throughout this process. Failure to engage may result in you being classified as not co-operating as discussed in the information booklet.

## **Step 2: Financial Information**

Once you have contacted ICS Mortgages, your designated Case Manager may recommend that you arrange to meet with us to discuss the circumstances specific to your business. Prior to the meeting you may be requested to provide certain business information to allow us to assess your financial position. The type of information we will require will depend on the nature of your business and whether you are an individual, partnership, or an unincorporated or incorporated body. The information required will typically include the following:

1. Financial information/projections, including:
  - Most recent audited/certified accounts as appropriate
  - Current management accounts
  - Up to date list of debtors/creditors
  - Financial and cash flow projections for the next 12 months and underlying assumptions
2. Tax information, including:
  - Tax Clearance Certificate (where appropriate)
  - Other details related to your current tax position
3. Details of the security held over your loan(s)
4. Current Account statements

This list is not exhaustive, and depending on the type and size of your business, other information may be necessary, e.g. a Business Plan or Statement of Affairs. The information you provide should be comprehensive, up to date and should demonstrate an in-depth knowledge of your business, the environment in which your business operates and the reason for the financial difficulty.

The required information will be requested from you by your Case Manager. ICS Mortgages recommends that you seek independent advice from a financial adviser or accountant. With your consent they are also welcome to attend any meetings with your ICS Mortgages Case Manager.

### **Step 3: Assessment**

Your ICS Mortgages Case Manager will examine the information provided by you to assess your situation and determine whether there are any options available to your business taking into account your financial circumstances.

The criteria used to assess your financial difficulties may include:

- Your repayment history and future repayment capacity,
- The viability of your business
- The total indebtedness of all relevant parties
- Any other relevant information

We will communicate to you in writing details of the outcome of our assessment, based on the information provided by you, within 15 working days of receiving all the required information.

If we are unable to form a decision with 15 working days, we will write to you explaining the reasons why it is taking longer than 15 working days and confirmation of when the assessment will be completed.

In order for us to help you develop a long-term solution for your business it is important throughout the assessment process that you:

- Keep us informed of any developments that will impact your business or your financial situation
- Always make honest and full disclosures
- Consider any third-party recommendations

### **Step 4: Resolution**

Having completed our assessment, ICS Mortgages will then determine whether a particular option would be suitable based on your financial circumstances.

It is important that you are fully aware of the implications of any option before you commit to it, and we recommend you seek independent legal/financial advice in this regard. It is also important that you adhere to the terms of the agreed arrangement and advise us immediately of any change to your financial situation.

Where we decline a request for an alternative arrangement, we will advise you of the reason for the decline and where possible we will continue to make every effort to work with you to put a solution in place for your business.

### **Appeals**

If you wish to submit an appeal following a credit decision or in the event of being classified as not co-operating, (where applicable), you can contact us in writing at the address below:

You must submit your appeal in writing within 20 business days of receipt of our decision.

All appeal letters should be sent to:

**ICS Mortgages Appeals Board**

**ICS Mortgages, PO Box 1077, Maynooth, Co. Kildare, Ireland.**