

FEXCO Asset Finance: Procedures in Dealing with Applications for Credit from SMEs

FEXCO Asset Finance is a flexible and innovative provider of hire purchase and business leasing products. We pride ourselves in having a deep understanding of our customers' businesses, a strong relationship with customers and a unique proposition of providing flexible lending solutions to all our customers.

We comply with the Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Lending to Small and Medium-Sized Enterprises) Regulations 2015 (the "**SME Regulations**"). An SME is an enterprise which employs fewer than 250 persons and has an annual turnover not exceeding €50 million and/or an annual balance sheet total not exceeding €43 million. A copy of the SME Regulations can be found on the Central Bank's website www.centralbank.ie.

We have prepared this booklet to provide further information on our application process. This applies, not only to potential new SME customers, but also to existing SME customers who wish extend their facilities with us. In this booklet "**Application**" refers to applications from new and existing SME customers.

Application Process - Timelines

You can request a meeting with us to discuss any proposed Application.

When we receive an Application from you, we will (as soon as possible and in any event within 5 working days) email you to acknowledge receipt.

We will liaise closely with you to gather all of the information which we will require to consider your Application (see below for further details). Once you have provided us with the information requested, we will let you know as soon as possible whether your Application has been accepted or refused by us. If we cannot make a decision within 15 working days of receipt of your completed Application, we shall inform you in writing of the reasons for the delay and we will let you know when we expect to have a decision. If the delay is because we require further information from you, we will let you know what further information we require and the timeframe within which we require it.

If, for whatever reason, we refuse your Application this will not result in a negative impact on your credit rating.

Application Process – Information and Supporting Documentation

Before entering into any agreement with you, we will have to gather sufficient information to assess whether that credit is suitable to you. The level of information gathered shall be appropriate and shall be to a level that will allow us to assess your likely ability to meet your payment obligations over the duration of the agreement. We can only enter into an agreement with you where we have satisfied ourselves that the credit is suitable to you; that you will be able to meet your payment obligations over the duration of the agreement; and that we have met all other legal/regulatory requirements (e.g. our obligations under anti-money laundering legislation).

The nature of the information which we will require will vary from case to case as we will need to see information that allows us to assess how your particular business is performing. Typically we would require the following information:

- Up-to-date financial information (which may include your most recent audited and/or management accounts)
- The finance which you require and the purpose for which you require it (e.g. details of the asset which you wish to finance and its cost)
- A detailed business plan (generally for newer businesses only). The plan should include a description of your business, its strategies, the market in which it operates (including anything that may have a positive or negative impact on your business) and realistic financial forecasts
- Up-to-date diligence documentation (e.g. proof of identification, address, source of funds).

Application Process – Our Policy on Security

We may, depending on your circumstances, seek security by way of a guarantee in support of your application. In those circumstances, we will clearly explain to the guarantor in writing why the guarantee is required, the potential consequences for the guarantor of providing the guarantee and also advise that they should obtain independent legal advice.

Guidance

Please contact us and we would be more than happy to provide you with any guidance which may assist you in making a successful Application.