**SME’s Experiencing Financial Difficulties**

In St. Jarlath’s Credit Union, we appreciate the challenges that sometimes may face our members and their businesses. During the course of lending to businesses, our lending team makes every effort to anticipate potential difficulties which could arise, however, St. Jarlath’s Credit Union recognises that it is probable that some businesses will experience cash flow difficulties from time to time, that could lead to their loan falling into arrears.

The longer the term of the loan the greater the probability that something unexpected will happen in the business. While we hope that our member’s business circumstances will always change for the better, we accept that there may be instances during the term of the loan where some businesses will experience financial difficulties that affect their ability to meet their loan repayments as expected.

The Central Bank of Ireland, has published Regulations for Business Lending to Small and Medium Sized Enterprises (SME Regulations). This booklet outlines how St. Jarlath’s Credit Union deals with SME’s who find themselves facing financial difficulties or experiencing financial difficulty. These regulations became applicable to Credit Unions from 1st January 2017.

**The Objectives of SME Regulations;**

• A clear definition of the circumstances which define when an SME is regarded as “in financial difficulties”.  
• Facilitate access to credit for sustainable and productive business propositions.  
• To promote fairness and transparency in the treatment of small to medium enterprises.  
• To ensure that there is a structured approach that the member understands at the outset, the aim is that St. Jarlath’s Credit Union will assist the member, and their business to meet their obligations where possible.  
• To outline the communication and information requirements when the SME is in financial difficulty

Ultimately, we want to assist members to resolve their financial difficulties and find a way to get them back on a repayment plan that is sustainable and will allow the members business to prosper and grow.

For more information please call to the Credit Union for a copy of our Standard Information Booklet for SME Borrowers in financial difficulties or [alternative click here to download a copy in PDF format.](http://www.stjarlathscu.ie/wp-content/uploads/SJCU-SME-Financial-Difficulties-Information-Booklet-FINAL.pdf)

**SME members who are in arrears, or in danger of falling into arrears should call our arrears support unit on 093-24645 or email**[asu@sjcu.ie](mailto:asu@sjcu.ie)**to arrange an appointment as soon as possible**.