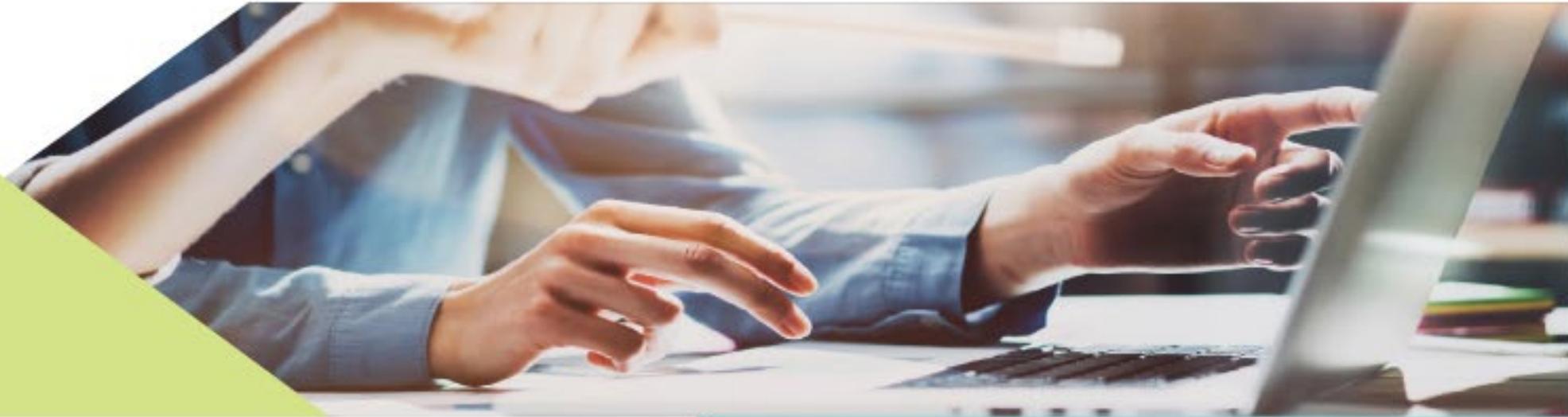




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Restructuring Update

James McAuley

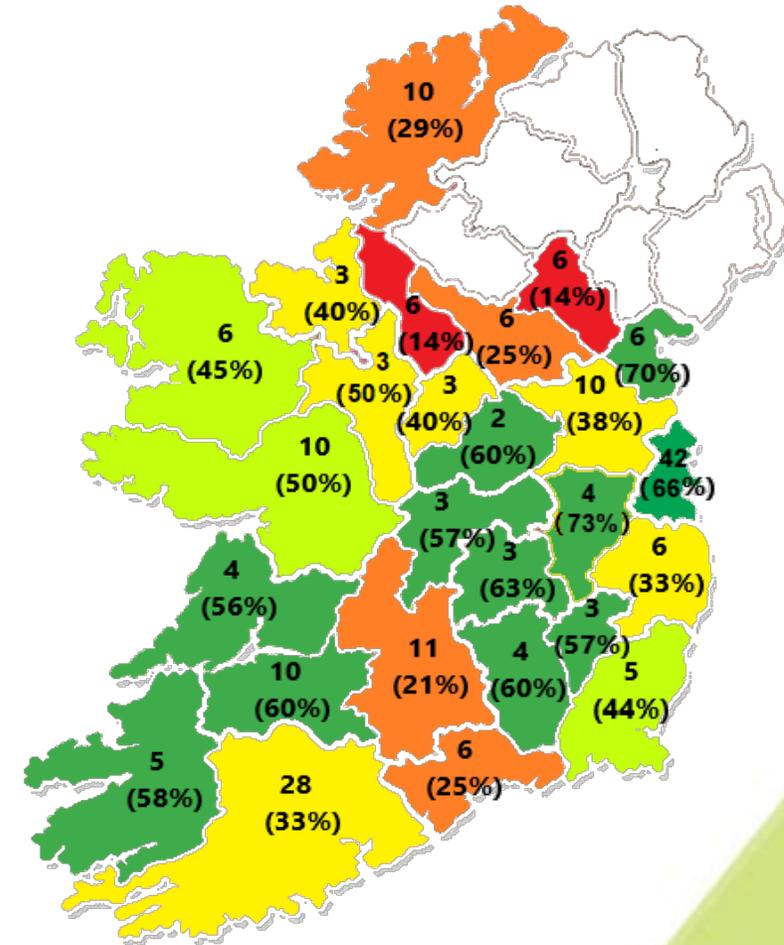
2022 Restructuring Overview

- 8 Transfers of Engagement ('ToE') completed YTD in 2022
- Projects have had wide-ranging issues present across governance, operations and financial performance
- Transferees ranged in asset size from €37m to over €400m, with transferors ranging from under €5m to €34m

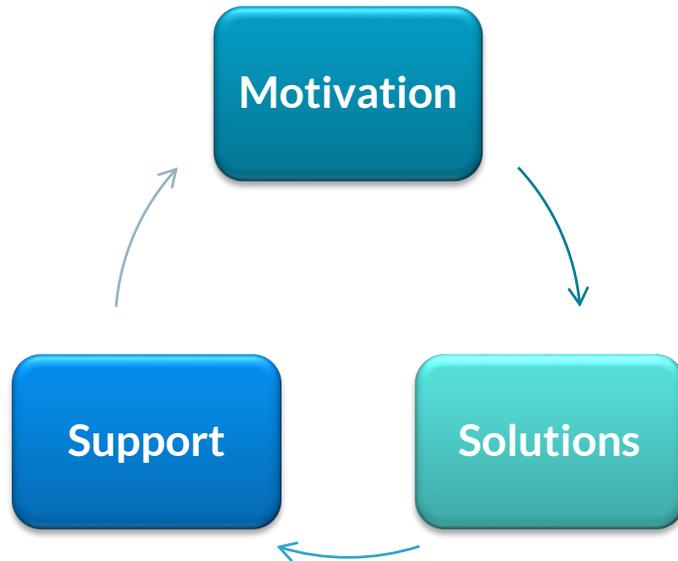
5 Year Profile of Credit Union Restructuring

2018	2019	2020	2021	2022
16 ToEs	12 ToEs	13 ToEs	14 ToEs	8 ToEs YTD
		1 Liquidation	1 Dissolution	

As at 20 October 2022
204 Credit Unions



2022 Restructuring Trends



Motivating factors for credit unions to engage in ToE Activity

- Strategic emphasis as part of ToE proposals.
- Strengthened governance.
- Improved member services acting as a motivator to transferors.
- Financial benefits – offsetting exceptional items.
- Operational resilience may be enhanced in through more enhanced systems of control.

Restructuring continues to assist with longer-term solutions secure improved access to credit union services

- Ability to individually tailor the ToE solution to address immediate and longer term financial viability concerns.
- Use of phased-approach allows for detailed remediation of risks present at stage of the ToE process.
- Addressed significant weaknesses in governance frameworks at managerial and board level.
- Operational control weaknesses identified and remediated through ToE process.

RCU works with credit unions to support delivery of restructuring solutions

- Credit unions should consider potential ToE activity to enable strategic goals.
- RCU will assist credit unions to explore such options.
- RCU contact point: James McAuley at (01) 224 4219.



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