

Credit Committee Terms of Reference

1. **The composition of the Committee**

The Credit Committee is appointed by the Board of HFA and consists of the Chairperson, Chief Executive Officer, Head of Lending, Company Secretary, Lending Team Lead, Head of Risk & Compliance and a minimum of four independent non- executive members of the Board.

The following members make up the current Credit Committee:

Mr B. O'Leary, Ms M. O'Reilly, Mr. Heiko Krakowitzer Mr F. Allen (Chairperson), Dr A. Hayden, Mr W. Johnston, Mr M. Lee and Mr J. Lidiirth.

The quorum for meetings of the Credit Committee shall be four members thereof present in person/remotely via Microsoft Teams, at least two being a non- executive director.

2. **Frequency of Meetings**

Meetings of the Committee shall be held as required to perform its responsibilities, but generally at least six times a year. The time and place of meetings will be notified to the Members by the Secretary.

3. **Authority**

The Credit Committee is authorised by the Board to consider any activity within its terms of reference. The detailed duties of the Committee are set out in paragraph 4 below.

Credit Committee members must pay particular attention to avoid conflicts (or potential conflicts) of interests in considering loan applications. Credit Committee members should declare any conflict, or potential conflict of interests at the beginning of any meeting where a loan application is to be considered.

The Committee, with Board approval, can obtain outside independent professional advice and secure the attendance of consultants with relevant experience and expertise, if it considers this to be necessary.

Decisions by the Credit Committee or recommendations to the HFA Board can be made by majority of members present. Decisions outside of formal meetings, for example by correspondence, require unanimous approval. Decisions made by correspondence should be ratified and minuted at the subsequent in-person meeting.

The provisions of Article 95 of the HFA Constitution (relating to resolutions in writing) shall apply mutatis mutandis.

4. Duties

The duties of the Committee shall be to:

- i. maintain credit risk, subject to such restrictions, if any, as may from time to time be imposed on the Credit Committee by the Board of the HFA;
- ii. consider and approve the creditworthiness of each AHB for Certified Body status prior to a Master Loan Agreement being executed by the HFA;
- iii. Review creditworthiness of individual AHBs with Certified Body status, on an annual basis, as set out in the Credit Policy.
- iv. Consider and approve loan facilities over €5 million to AHBs and ensure that all loans advanced are in accordance with the HFA's Credit Policy;
- v. To approve new lending products or schemes and additionally, that the Credit Committee can approve non-standard individual loan applications up to €10 million
- vi. ensure that it has obtained all relevant documentation pertaining to the credit application;
- vii. generally, to do all such other required activities, including the execution of documents, as may be necessary or desirable in order to enable or assist the Credit Committee to exercise in full the powers delegated to it under points ii., iv. and v. above;
- viii. Review the Credit Policy on an annual basis and recommended to the Board any changes or updates that are required
- ix. ensure that the systems established by the Board to identify, assess, manage and monitor loans are operating effectively;
- x. ensure that any deviations/exceptions to policies are communicated to the Board;
- xi. have the authority to investigate any matter within its terms of reference;
- xii. review and note all Management Committee's credit approvals. The Credit Committee will be provided with a summary paper outlining all Management Committee's credit approvals and the Management Committee meeting minutes at each Credit Committee meeting;
- xiii. review Management Committee's authority level as and when deemed necessary and recommend new levels to the Board for consideration, and
- xiv. any other activities which the Board may approve for the Credit Committee.

5. Reporting procedures

The Secretary to the Committee will establish and maintain the following records:

- i. the minutes of all meetings of the Credit Committee;
- ii. copies of all written submission from the Credit Committee to the Board;
- iii. a record of the current members of the Credit Committee and any changes to the composition of the Credit Committee; and
- iv. all Credit Committee papers submitted to the Credit Committee for its determination.

The Secretary of the Committee should circulate the minutes of meetings to all members of the Committee and the Board, at the next Board meeting. The Board publishes the names of the members of the Credit Committee in the HFA's Annual Report and Accounts.

Approved by HFA Board,

25 April 2024