

Allocation of an Account in Financial Restructuring

DATE EFFECTIVE: 28 March 2018

1. Purpose

This procedure establishes guidelines for handling an account that has been transferred to Financial Restructuring (FR). It applies to all FR Managers.

1.1 Prerequisites

For this procedure to apply, the Account must have been transferred to FR either:

- In accordance with the Country Banking (Australia and New Zealand) Credit Policy 'Account Transfer to Financial Restructuring – 30/90 Days Past Due'; or
- In accordance with an agreement reached among Credit and FR to the effect that a client should be rated 'Substandard' and managed by FR, notwithstanding the client has not been classified as D1 due to a 90 day excess; or
- Due to identification of a mandatory default trigger or a rebuttable default trigger which cannot be rebutted, resulting in reclassification of LQC to 'Substandard' or lower; or
- Credit, CBCC or LCC determines a client account should be managed by FR.

2. Allocation of a New Account to a FR Manager

FR Team use this task to allocate all new accounts to a FR Manager and an alternate FR Manager. New accounts may be advised to FR by way of email received from Credit (for those accounts that are automatically transferred to FR through a default remaining in place for more than 90 days) or through discussion with an Account Manager/Credit (for those accounts that are transferred to FR for other reasons).

Step	Action
1	<p>Credit Manager sends email to FR functional mail box, providing details of:</p> <ul style="list-style-type: none"> ■ Account Name ■ T24 Account Number <p>Note: FR Australia and FR New Zealand have their own functional mailbox.</p> <ul style="list-style-type: none"> ■ Australia: fm.au.sydnev.SAM ■ New Zealand: fm.nz.SAM
2	<p>The Head of FR allocates the new accounts within the FR Team as appropriate. The FR Manager back-up for each new account should also be determined at this time.</p>
3	<p>Australia - FR Manager acquiring the new account:</p> <ul style="list-style-type: none"> ■ Provides details of the client to BMR Team for inclusion in the FR Portfolio list ■ Ensures that the Branch AM has forwarded a Default Data spreadsheet for that client, if required ■ Establishes a new client file in the FR Directory under the appropriate folder, e.g. Australia Rural Clients, MAC, Corporate Clients. <p>New Zealand - Senior Finance Officer FR:</p> <ul style="list-style-type: none"> ■ Includes details of the client in the FR Portfolio list ■ Ensures that the Branch AM has forwarded a Default Data spreadsheet for that client, if required ■ Establishes a new client file by setting up a new file in the Nelson FR Directory under the appropriate folder. <p>The original file for the client should remain in the Branch. The FR Manager will establish their own files as required.</p>

Step	Action
4	<p>Finance Officer FR AU/Senior Finance Officer FR NZ sends email to the Branch AM with the following information:</p> <ul style="list-style-type: none"> ■ Advising that they have taken responsibility for the new FR account ■ Providing guidelines on FR's role ■ Providing expected timing for review and consultation on the recovery strategy. ■ Refer to the pro forma email that is available on the FR SharePoint site.

3. Supplementary Information

3.1 Related Documents

	Document Title	Type	Link
3.1.1	Roles and Responsibilities for Accounts in Financial Restructuring	FR Policy	Financial Restructuring
3.1.2	Account Transfer to Financial Restructuring – 30/90 Days Past Due	Credit Policy	Country Banking

3.2 Definitions / Glossary of Terms

Term	Definition
AM	Account Manager
CBCC	Country Banking Credit Committee
LCC	Local Credit Committee
FR	Financial Restructuring

3.3 Document Management

Owner:	Head of FR Australia Head of FR New Zealand	Author:	Manager, Risk
Authoriser:	Head of FR Australia Head of FR New Zealand	Next Review Date:	30 March 2020