

**HOME BUILDING FINANCE IRELAND (THE “COMPANY”)**

**MINUTES OF A MEETING OF THE BOARD OF  
DIRECTORS OF THE COMPANY (The “Board”)  
DULY CONVENED, CONSTITUTED AND HELD AT 12.30pm on  
Thursday 7<sup>th</sup> May 2020 per videoconference due to Covid-19 restrictions.**

**PRESENT:** Marie Collins (Chairperson)  
Dara Deering (CEO)  
Andrew O’Flanagan  
Des Carville  
Claire Solon  
Ken Slattery  
Grainne Hennessy

**APOLOGIES** None

**IN ATTENDANCE** Michael Broderick, Chief Commercial Officer, HBFI.  
Sean Alger, Head of Credit and Risk, HBFI.  
Paula Flinter, Head of Legal, HBFI (item 10)  
Caroline Ensor, Company Secretary.

**1. NOTICE AND QUORUM**

It was noted that notice of the meeting and of the nature of the business to be conducted had been given to all directors entitled to attend the meeting and that a quorum, being four directors, was present in accordance with the Company’s Articles of Association (the “**Articles**”). It was further noted that all the directors present were, pursuant to the Articles, entitled to vote and be counted in the quorum. The meeting then proceeded to business.

**2. LIMITATIONS TO THE NUMBER OF DIRECTORSHIPS AND RESIDENCY REQUIREMENTS UNDER THE COMPANIES ACT 2014**

It was noted that pursuant to Section 137 of the Companies Act 2014 (as amended) (the “**Act**”), at least one of the directors of the Company is resident in a Member State of the European Economic Area and that no director present individually held more than twenty-five directorships for the purposes of Section 142 of the Act and was therefore eligible to vote on all board resolutions brought before the meeting.

**3. DISQUALIFICATION AND RESTRICTION ORDERS AND UNDERTAKINGS**

Those directors present each declared that they were not the subject of any declaration, order or deemed order for disqualification or restriction under the Act including Part 14, Chapters 3 and 4 and had not received any notice under that Part of the Act including any notice concerning a disqualification or restriction undertaking under Part 14, Chapter 5.

#### **4. DECLARATIONS OF INTEREST**

In accordance with section 231 of the Act and the Constitution of the Company, there were no material interests declared by the directors present at the meeting in the business to be transacted at the meeting which would preclude them from participating in the meeting and forming part of the necessary quorum.

At that point Andrew O’Flanagan reconfirmed to the Board, in relation to Agenda Item 9, that as Director of the NDFA within the NTMA he oversees the NDFA’s role in providing financial advice to a number of local authorities seeking to develop mixed tenure housing on their lands. He said he had raised this issue with the NTMA Head of Compliance who confirmed no conflict arises at this point in time but that this will need to be kept under review.

#### **5. MEETING MINUTES AND MATTERS ARISING THIS ITEM HAS BEEN REDACTED IN PART.**

**IT WAS RESOLVED THAT** the minutes of the Board meeting held on 16<sup>th</sup> April 2020 be **APPROVED** as circulated to the Board subject to three minor amendments.

The CEO updated the Board on the three open Board action points as follows:

i. In relation to the welfare of HBFI employees as they work from home, the CEO continues to engage with the NTMA in relation to how employees can be brought back to work safely in Treasury Dock when appropriate and the ongoing welfare of employees continuing to work remotely.

ii.

In relation to the Chairperson’s Report to the Minister for Finance as required under the Code of Practice for the Governance of State Bodies, a draft has been given to the Chairperson for review. A copy of the Report be circulated to the Board, prior to final submission to the Department of Finance.

#### **6. CONFIRMATION IN RELATION TO RESERVED MATTERS**

The Company Secretary confirmed to the Board that the Executive Management Team of HBFI (‘the EMT’) is satisfied that all reserved matters which require consideration by the Board have been brought to the Board’s attention.

#### **7. CEO UPDATE**

The CEO updated the Board as follows:

i. The new products are ready to go live on the new HBFI Website on the 1<sup>st</sup> May, but in consultation with NTMA Communications Team, the decision was made to announce the new products at the same time as the Momentum Fund. An announcement is scheduled for 8<sup>th</sup> of May 2020, targeting the Sunday papers. A full stakeholder outreach process will follow next week.

ii. Sign-off from the C&AG in relation to the 2019 Financial Statements has not yet been received but is expected in the next few weeks.

iii. A decision from the European Investment Fund (EIF) on HBFI’s application for the Competitiveness of Enterprises and Small and Medium sized Enterprises (COSME) Loan

Guarantee Scheme (which provides a 50% guarantee on facilities up to €3 million, capped at 20% of the portfolio) is expected on the 14<sup>th</sup> May 2020. Initial indications are that if HBFI is successful, the guarantee may be restricted to certain categories of lending.

- iv. On the 29<sup>th</sup> April, the CEO and Chairperson had a call with the Minister for Finance. They updated him on how HBFI is supporting existing borrowers, and that it has remained open for business during the Covid 19 emergency.

They also provided him with a full briefing on the Covid-19 supports being given to borrowers and detailed the new products to be offered. He welcomed the fact that HBFI is supporting existing customers.

He enquired as to the primary challenges observed by HBFI at a macro and micro level, and also when the new products would launch. He asked that his thanks be conveyed to the Board and to employees.

Separately the Chairperson noted the acknowledgement by Conor O’Kelly CEO of the NTMA, of the Board of HBFI in his update last week.

## **8. BUSINESS UPDATE**

### **THIS ITEM HAS BEEN REDACTED IN PART.**

The Chief Commercial Officer (CCO) provided the Board with the business update and opened by referencing a Knight Frank report which estimates the number of residential units being built will drop to between 12k and 13k this year, while the Central Bank has estimated the figure to be 16k units. Notwithstanding the variance, it is clear the number of units will drop significantly which in turn will exacerbate the supply issue.

On a positive note, the CCO reported a lot of activity in terms of the level of new contacts, and of EOIs received. Furthermore, stakeholder engagement remains very active, including with the Department of Finance, the IHBA the LDA and the Department of Housing.

The CCO confirmed that the new HBFI website is ready to launch and is more modern, easier to navigate and contains details of the new products.

Following a query from the Board, the CCO confirmed that delays were being incurred in reaching the point of signing facility letters, due to uncertainty resulting from Covid -19.

The possibility of a “green” loan product was suggested by a Board member. It was agreed that this product would be considered by the CCO and discussed with members of the Board who had knowledge and experience in this area and that he would revert to the full Board in due course.

## **9. THIS ITEM HAS BEEN REDACTED IN FULL**

## **10. THIS ITEM HAS BEEN REDACTED IN FULL**

## 11. HBFI AGM

Per the paper presented to the Board, the Company Secretary outlined that the Minister for Finance or his representative and the Chairperson must be (physically) present at the HBFI AGM. As the holding of a physical AGM is not feasible during the Covid-19 restrictions, she said alternative arrangements are required to be put in place. Accordingly, following legal advice and consultation with the Department of Finance it is recommended by HBFI management that the approval of the business of the AGM by written resolution would be the most favourable option in respect of its 2020 AGM obligations.

**IT WAS RESOLVED** that in accordance with section 175(3) of the Companies Act 2014 that the Company dispense with the requirement to hold its AGM and pass the appropriate written resolutions in lieu thereof.

## 12. AOB

It was agreed to a non-scheduled Board meeting on Thursday 11<sup>th</sup> of June. The meeting of the 21<sup>st</sup> of June is already in Board members' diaries.

## CLOSE

There being no further business the meeting then terminated.

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Chairperson