



MANAGING YOUR BANK RELATIONSHIP IN TOUGH TIMES (What has changed in the “5Cs of Credit”?)

<p>CHARACTER</p> <ul style="list-style-type: none">• Your personal financial history now plays a greater role• More reliance on personal guarantors• More credit-based pricing		<p>CONDITIONS</p> <ul style="list-style-type: none">• Economic conditions: What have you done to adapt?• Loan conditions have become tighter
	<p>CAPACITY</p> <ul style="list-style-type: none">• \$\$\$• More scrutiny of repayment sources	
<p>COLLATERAL</p> <ul style="list-style-type: none">• Still a second way out, but has gained in importance• How much is the collateral worth now?		<p>CAPITAL</p> <ul style="list-style-type: none">• How much \$\$\$ are you putting in? (Banks are requiring higher minimums)• How much \$\$\$ are you keeping in vs. taking out?



Northern Trust

**THE 6TH “C”:
COOPERATION**

- Banks face increased regulatory scrutiny, new rules
- Help your banker abide by the rules
- Develop a “full-service” relationship
- *Bankers don't like surprises*
- Your banker wants to be your financial partner