



*****DO NOT DISREGARD – IMPORTANT INFORMATION*****
Information in relation to your mortgage account

18 November 2021

Dear [REDACTED]

We wrote to you in August 2020 in relation to your mortgage account [REDACTED]. In that letter we told you that your account was being reviewed regarding a decision from the Financial Services & Pensions Ombudsman (FSPO). We provided you with a payment under the FSPO decision.

We are writing to you today to let you know that we have completed a review of your mortgage account under both the FSPO decision and an issue identified under the Tracker Mortgage Examination (TME). Below we outline the failure that occurred on your account and the actions we have taken to correct it.

What are the circumstances that caused your account to be impacted?

We withdrew tracker rates on 10 October 2008, shortly before your account rolled off a fixed rate. You did not have the option to choose a tracker rate as it was no longer available and the FSPO (in relation to a complaint on an account with similar terms and conditions and circumstances) has found this to be a contractual failure.

In terms of being impacted under the TME, your account rolled off a fixed rate very shortly after we withdrew tracker rates and we are now giving you the tracker margin that would have been in place at that time, if we had not withdrawn trackers. We believe you may have chosen this tracker margin and we are redressing your account on this basis.

We regret that this failure happened and we are sorry.

What are the steps we have taken?

- We previously provided you with a payment under the FSPO decision.
- We have recalculated your FSPO payment based off the earlier date of 12/01/2009.
- In order to ensure that you did not experience any further detriment as a result of our failure, we have reduced your interest rate from 4.85% to the tracker interest rate that you may have chosen

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had we not withdrawn tracker rates. This is the European Central Bank (ECB) rate (currently 0.00%) plus a margin of 1.90%. Your new rate is 1.90%.

- We have now calculated any redress and compensation due from 12/01/2009 under the TME and compared this with the revised calculation of the payment due under the FSPO decision. We have determined the most beneficial outcome for you and any additional payment that may be due after we completed a comparative analysis. We have based the TME calculations on the tracker rate outlined above.
- The total additional payment due outlined in the comparative analysis takes into account the previous payment issued to you in August 2020.

Included with this letter is:

- A **Comparative Analysis**, explaining our calculations which is at the end of this letter.
- A **cheque** or a **Payment Instruction Form**. Where there is a Payment Instruction Form enclosed, this needs to be completed and returned so that we can issue the payment.
- A set of **Questions and Answers (Q&A)** that we hope will be of assistance to you.

The most beneficial outcome for you:

You are receiving a total benefit of € [REDACTED]. We previously provided you with a total benefit of € [REDACTED] (€ [REDACTED] payment and balance reduction of € [REDACTED] applied July 2020). You are now receiving an additional payment of € [REDACTED]. Full details can be found in your comparative analysis.

The payment explained:

The payment you are now receiving is € [REDACTED]. Your comparative analysis outlines the calculation of this payment under the TME and the comparison with the FSPO payment.

Revenue have confirmed to us that no tax liability will arise for you in respect of these payments.

Your payment includes (see comparative analysis):

We previously provided you with a benefit of € [REDACTED] under the FSPO decision. This benefit was made up of the following:

- € [REDACTED] which equals a 12% mortgage balance reduction and;
- € [REDACTED] which is an interest refund payment due on the mortgage balance reduction portion of the loan.

As outlined in step 4 of your comparative analysis, you are due a further payment of € [REDACTED] to ensure you get the most beneficial outcome. Your additional payment is made up of the following:

- The additional payment required following the comparison of your FSPO payment and TME payment, and;
- A payment of €1,230.00 towards the cost of obtaining independent professional advice that you may wish to seek on this matter.

How we corrected your account (see comparative analysis):

- We have changed the rate on your account to a tracker rate as outlined above.
- Because your interest rate has changed, your monthly repayments have also changed. Your revised repayment is €[REDACTED]. You don't have to do anything if you pay by direct debit. However, if you pay by standing order you will need to change your repayment amount.

Independent appeals process:

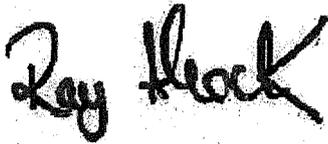
We have established an independent appeals process under the TME. If you are not happy with the actions we have taken to correct our failure and how we have compensated you and want to submit an appeal, you have the right to do so within 12 months of the date of this letter. Details of how to appeal are set out in the enclosed Q&A document.

Lodging the cheque will not affect your right to appeal, complain to us, or to the FSPO or to take legal action in the Courts. If your appeal is not upheld you can still keep the total payment.

Contact us:

Again, we are very sorry. If you want to contact us, you can call us on 1800 235460 (or (+353)-1-7715888 if you are out of the country), Monday to Friday between 8am and 7pm, or write to us at the address at the top of the letter.

Yours sincerely,



Ray Alcock
Head of Mortgage Products

These are statutory warnings about your payments and your rates that we must give you:

WARNING YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP PAYMENTS ON A MORTGAGE OR ANY OTHER LOAN SECURED ON IT.

Warning: if you do not meet the repayments on your credit agreement, the account will go into arrears. This may affect your credit rating, which may limit your ability to access credit in the future.

If you do not pay the full amount of each scheduled repayment when due, this is a breach of facility terms and may result in the application of surcharge interest to the amount of the default, a negative report to a relevant licensed credit reference agency, damage to your credit rating, termination and demand of a facility and other facilities, and enforcement by the lender of security held.

Account Number: [REDACTED]

Ref. [REDACTED]

Comparative Analysis:

Step 1. First we calculate the total benefit under the TME. This is made up of a payment (refunding any overpayments, paying for the Time Value of Money (TVM) and paying compensation for our failure) and a balance reduction which corrects the balance to the level it should have been on if the issue had not occurred.

1. TME Benefit Summary

		€
Overpayment Refund (Refunding the difference between what you paid and what you would have paid if the account was on the tracker rate):	(A)	€ [REDACTED]
TVM (Interest to compensate you for not having access to the money you overpaid):	(B)	€ [REDACTED]
Compensation for our failure at 7.50% of the interest overcharge of € [REDACTED] and any interest refund we made during the period your account was impacted, plus 7.50% of TVM - or an appropriate minimum amount, whichever is higher:	(C)	€ [REDACTED]
TME Redress & Compensation Payment (A + B + C above):	(D)	€ [REDACTED]
Mortgage Balance Reduction (amount required to correct the balance to what it should have been if you had chosen the tracker rate):	(E)	€ [REDACTED]
Total TME Benefit (D + E above):	(F)	€ [REDACTED]

Step 2. Next, we calculate how much this account is due under the FSPO decision (which is a 12% balance reduction on the capital balance at the time the fixed rate period ended and a refund of interest charged on that 12% portion since then).

2. FSPO Benefit Summary

12% Mortgage Balance Reduction (on a balance of € [REDACTED] as at 12/01/2009):	(G)	€ [REDACTED]
Interest Refund Payment (refunding interest charged on the mortgage balance reduction portion of the loan):	(H)	€ [REDACTED]
Total FSPO Benefit (G + H above):	(I)	€ [REDACTED]

Step 3. Next we compare the figures. You'll receive the total benefit that is the highest of either the TME approach (F) or the FSPO approach (I). We deduct any previous benefits you have received.

3. Comparative Analysis Outcome

Best Total Benefit (Comparison of TME (F) and FSPO (I)):	(J)	€ [REDACTED]
Total Benefit Previously Received	(K)	€ [REDACTED]
Top Up Total Benefit due (J minus K):	(L)	€ [REDACTED]

Step 4. We have added a payment towards the cost of Independent Professional Advice which is due under the TME. You will see below the total payment now due.

Top Up Payment due (L):	€ [REDACTED]
Plus TME Independent Professional Advice Fee:	€ [REDACTED]
Total Payment now due:	€ [REDACTED]

In summary, you are receiving a total benefit of € [REDACTED]. We previously provided you with a total benefit of € [REDACTED] (€ [REDACTED] payment and balance reduction of € [REDACTED] applied July 2020). You are now receiving an additional payment of € [REDACTED].

The benefits and payments outlined above are the total amounts due for this account, irrespective of the number of customers named on the account.