



## **T285 Questions and Answers**

### **Why am I getting this letter?**

We're writing to you because we made an error when you asked us for a COVID-19 Payment Break (this is explained below). We have fixed this error and made an account adjustment to your loan account.

### **What is a COVID-19 Payment Break?**

A COVID-19 Payment Break was available to our customers who were impacted by COVID-19. The support that was available was a payment break or an extension to the customer's loan term (or both).

### **What was the error?**

- If you requested a payment break we should have left the loan end date unchanged. Instead, our error extended the loan end date by an average of 22 days.
- If you requested a term extension, as part of your COVID-19 Payment Break, the end date should have extended by the number of months that you asked for. Instead, our error extended the loan end date by an additional 22 days, on average.

### **How does this error affect me?**

Your new loan repayment amount is actually lower than it should be as we calculated it over a longer period of time than you requested. The result of this, before we made the adjustment to your loan account, was that the loan would have cost you more (a higher cost of credit) over the life of the loan. This means the amount you owed us was higher than it should have been.

### **How are we putting this right?**

To correct this we have reduced the amount of your loan to what it should have been had we not made the error. This amount includes compensatory interest if applicable. If your loan account is closed we have refunded your current account or sent a cheque to you.

### **Have you told the Central Bank of Ireland?**

Yes, we have told our regulator, the Central Bank of Ireland. We told them in August 2020 and we have kept them up to date about everything we are doing to put this right for our customers. We are writing to you only now as we wanted to make sure we had everything corrected properly first.