



COVID-19 Payment Break (Moratorium/Interest Only) - Overpayment to Mortgage Account Form

Use this form if you have already taken a COVID-19 payment break and you want to make additional payments to your mortgage account.

Making additional payments will reduce the cost of credit over the term of your mortgage.

An overpayment is where you make an additional payment which is part, or all, of the amount of your repayments that were deferred during the Covid-19 payment break or where you make additional payment(s) in excess of the total amount deferred. For an example of an overpayment scenario, please visit our webpage www.aib.ie/covid19/mortgagecustomers

In the case of fixed rate mortgage loans, we may charge an early repayment charge if you make an overpayment. However you can make overpayments to your fixed rate mortgage loan equal to the total amount of deferred payments under your COVID-19 Payment Break without incurring an early repayment charge. An early repayment charge may arise for any overpayment made in excess of the total amount of repayments deferred under your COVID-19 Payment Break.

An early repayment charge calculation for your loan can be obtained by request from AIB Home Mortgages, 1 Adelaide Road, Dublin 2, DX 183.

You will be notified of any early repayment charge in writing prior to an overpayment being applied to your mortgage account.

How to complete the form

1 Please use a BLACK pen

2 Mark boxes like this If you make a mistake, do this and mark the correct box

3 Please use BLOCK CAPITAL LETTERS and leave one space between each word A 2

Mortgage Account Details

Name:

Mortgage account national sort code: 9 3 - -

Mortgage account number: (This is available on your latest mortgage statement)

Contact telephone number:

Overpayment Request

I wish to lodge the enclosed cheque/draft in the sum of € to the above mortgage account.

OR

Please arrange to transfer the sum of € from my AIB current account detailed below

Please make the overpayment from this account (AIB Accounts only)

NSC 9 3 - - / Account Number (AIB accounts only)

There are 2 options available when making an overpayment. Please choose option (a) or (b) below.

a) Reduce your scheduled amount
By lodging funds to the mortgage account your scheduled mortgage repayments will reduce in line with the reduced balance on the account. This means that the amount you pay every month will decrease. The remaining term and prevailing rate of interest remain unchanged and your scheduled repayments will adjust in line with any future rate increases or decreases, as normal. This option is available for fixed and variable rate loans.

b) Maintain current scheduled repayments and reduce your mortgage term
Your mortgage loan term will be reduced to keep the scheduled repayments at approximately the same level as they were prior to the overpayment. The prevailing rate of interest remains unchanged and your scheduled repayments will adjust in line with any future rate increases or decreases as normal. This option is not available for fixed rate loans. Where applicable your mortgage loan term will be reduced.

Notes: You cannot make an overpayment through our online banking service.
Please turn over for further information and to sign.

Notes:

1. If your loan is on variable rate, you can make overpayments to reduce the mortgage term or mortgage repayment without incurring an early repayment charge.
2. Overpayments result in a permanent reduction of the mortgage balance and are non-refundable.
3. Once this request has been completed on your mortgage, we will write to you to confirm your new details.
4. If arrears exist on your mortgage account, over payments will be prioritised in reduction of arrears first.
5. I/ We understand that:
 - a) if my mortgage is on interest only and my loan is on a variable rate, the option available to me to reduce the cost of credit as result of the COVID-19 Payment Break is applying the overpayment to reduce the mortgage term;
 - b) if my mortgage is on interest only and my loan is on a fixed rate the option available to me to reduce the cost of credit as result of the COVID-19 Payment Break is applying the overpayment to reduce the mortgage repayment.
6. In order for the overpayment to be effective before your next scheduled repayment date, please ensure that you submit this form at least 15 working days before that date.

Signature of account holders (all parties to the loan must sign)

SIGNATURE

DATE

Day	Month	Year
<input type="text"/>	<input type="text"/>	<input type="text"/>

SIGNATURE

DATE

Day	Month	Year
<input type="text"/>	<input type="text"/>	<input type="text"/>

When completed, please return this form to: Home Mortgage Operations, Accounts Section, 1 Adelaide Road, Dublin 2. DX 183, Dublin.

Statutory Notices & Warnings

WARNING: your home is at risk if you do not keep up payments on a mortgage or any other loan secured on it.

WARNING: the payment rates on this housing loan may be adjusted by the lender from time to time.

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

Please be advised that if you do not repay the Mortgage Loan when due then you will be in breach of the terms and conditions of your mortgage and the Lender will take appropriate steps to recover the amount due. This could mean the Lender will commence legal proceedings seeking an order for possession against you, which will affect your credit rating and limit your ability to access credit in the future.

WARNING: the entire amount that you have borrowed will still be outstanding at the end of the interest-only period

WARNING: you may have to pay charges if you pay off a fixed-rate loan early.

WARNING: The cost of your monthly repayments may increase.

NOTICE: Under the Credit Reporting Act 2013 lenders are required to provide personal and credit information for credit applications and credit agreements of €500 and above to the Central Credit Register. This information will be held on the Central Credit Register and may be used by other lenders when making decisions on your credit applications and credit agreements.

The Central Credit Register is maintained and operated by the Central Bank of Ireland. For information on your rights and duties under the Credit Reporting Act 2013 please refer to the factsheet prepared by the Central Bank of Ireland. This factsheet is available on www.centralcreditregister.ie. Copies can also be obtained at your local AIB branch and on www.aib.ie.

For Endowment loans

WARNING
THERE IS NO GUARANTEE THAT THE PROCEEDS OF THE INSURANCE POLICY WILL BE SUFFICIENT TO REPAY THE LOAN IN FULL WHEN IT BECOMES DUE FOR REPAYMENT.

The following is applicable only where the interest rate is FIXED for a period of at least one year:

- **When will you have to pay an early repayment charge (ERC)?**

At any time when a fixed interest rate (fixed for a period of at least 1 year) applies to your mortgage loan, you may have to pay us an early repayment charge if you; (i) repay all or part of your mortgage loan early, (ii) make an out of course repayment, or (iii) convert the interest rate on your loan to another interest rate. Any or all of these instances may result in a cost to the bank.

(As noted at the beginning of this form, you can make overpayments to your fixed interest rate mortgage loan equal to the total amount of deferred payments under your COVID-19 Payment Break without incurring an early repayment charge. An early repayment charge may arise for any overpayment made in excess of the total amount of repayments deferred under your COVID-19 Payment Break.)

- **How do we calculate the early repayment charge?**

We calculate the early repayment charge using the following formula: $(A) \times (U) \times (D \%) = \text{€ ERC}$ [early repayment charge], where:

(A): Amount of your mortgage loan being repaid early, or converted to another interest rate.

(U): Number of months remaining before the fixed interest rate is due to expire, divided by 12.

(D%): Difference between your original fixed interest rate at the start of the fixed interest rate term, for the full fixed interest rate term, and the applicable fixed interest rate offered by the Bank at the time the mortgage loan is repaid or converted, for the period of (U).

Example 1: You fix your mortgage loan at a fixed interest rate of 5.25% for a period of 5 years (60 months). After 3 years (36 months), you repay your mortgage loan in full. The outstanding amount on your mortgage loan at that time is €100,000. The applicable fixed interest rate used is the 2 year fixed interest rate being offered by the Bank as there is still 2 years (24 months) remaining on your original fixed term, e.g. 3.0%. In this case, $\text{ERC} = (A = \text{€}100,000) \times (U = 24 \text{ months} / 12) \times (D\% = 5.25\% - 3.0\% = 2.25\%) = \text{€}4,500$.

We will also use a market interest rate to calculate the D% component in the formula above. In that case, D% would be the difference between the market interest rate applicable at the start of the fixed interest rate term, and the market interest rate applicable at the time of the early repayment or conversion, for the unexpired fixed interest rate term. Note: Market interest rate is determined by the wholesale market. The market interest rates used will be as of close of business on the previous working day to the day the calculation is being completed.

Example 2 (Additional Calculation): You fix your mortgage loan at a fixed interest rate of 5.25% for a period of 5 years (60 months). The market interest rate applicable at the start of the fixed interest rate term is 3.5%. After 3 years (36 months), you repay your mortgage loan in full. The outstanding amount on your mortgage loan at that time is €100,000. The market interest rate applicable at the time of early repayment for the remainder of the fixed interest term of 2 years is 1.5%. In this case, $\text{ERC} = (A = \text{€}100,000) \times (U = 24 \text{ months} / 12) \times (D\% = 3.5\% - 1.5\% = 2\%) = \text{€}4,000$.

AIB will calculate the ERC, using both D% components outlined above. We will then compare the outcome of each calculation and will accept the lower amount, as this is the most beneficial to you. In the above example, this would be the ERC of €4,000.

A specific ERC calculation for your loan can be obtained by request from AIB Home Mortgages, 1 Adelaide Road, Dublin 2. Further information on the terms used here is available on <https://www.aib.ie/our-products/mortgages/Mortgage-Jargon>

- **Additional information regarding the calculation**

We take a number of other factors into account as described below. These will result in a lower ERC than if we did not take these into account. For example:

1. We consider the reducing balance nature of your mortgage, which will mean that your ERC will be less than the indicative figure produced by the $A \times U \times D\%$ formula.
2. When the remaining term does not exactly match a term for which there is a rate available, we will use the two closest rates and apply the most beneficial to you. For example, if you have 18 months remaining on your fixed term, we will use the more beneficial of the 12 and 24 month rates in our calculations.

Lending criteria, terms and conditions apply.