



Rate Options Letter

Questions and Answers

Why am I getting a letter?

We are writing to you because we made a mistake on your mortgage account. We want to let you know what the mistake was and that we have fixed it.

Who does this mistake affect?

This mistake affects some customers who took out a mortgage with a fixed rate and did not receive a letter to tell them the different rates they could choose from before the fixed rate ended.

How are we correcting this mistake?

We have calculated a payment assuming you had chosen a lower rate than the rate your account went to after your fixed rate period ended. The payment covers the difference between the interest we did charge and the interest we would have charged during the period your account could have been on a lower rate, if you had chosen one. We've given this to you by cheque.

If this payment is less than €5, we have rounded it up to €5 per person on the account.

What period have you used to calculate my payment?

We have calculated your payment for a period of time, starting from when your fixed rate period ended, until you were no longer disadvantaged. This was when a particular event will have occurred, for example;

- The date we subsequently sent you an options letter
- The date you selected the lower rate which could have been available to you
- The date your account closed.

Has the cause of the mistake been fixed?

Yes, we have made changes to make sure it will not happen again.

Do I need to do anything?

No you don't need to do anything. We have fixed the mistake on your account.

What is a Standard Variable Rate or a Buy to Let Variable Rate?

Our Standard Variable Rate (SVR) and Buy to Let Variable Rate are two of our variable interest rates. When a variable interest rate applies to your mortgage loan, your repayments may rise and fall as market interest rates change over the life of your mortgage.

What is a fixed interest rate?

A fixed interest rate is an interest rate where your rate and repayments will stay at the same level for an agreed period of time. We refer to that period of time as the fixed rate period.

My mortgage account has more than one person on it, but the cheque is in my name only.**Why is that?**

If there is more than one person on your mortgage account we have written to each person separately, and divided the payment equally between everyone on the account.

Can I use my payment to reduce my mortgage?

Yes, you can lodge your cheque to your mortgage account, however you are under no obligation to do so. If you choose to use your payment to reduce your mortgage balance, this may reduce the amount of interest you pay over the term of the mortgage.

What are arrears?

Arrears (missed payments) happen where you have not made a full repayment or you have only made a partial repayment by the scheduled repayment due date.

Did the arrears on my account affect my payment?

If the arrears on your account affected your payment this has been outlined in your letter.

I am not sure I can afford my mortgage repayments. What should I do?

If you are worried about your mortgage repayments, the first step is to talk to us. Together we can work through what is happening and look at possible ways to help you. You can get in touch with us using the contact details contained in your letter. Alternatively, if you prefer, you can visit our website at www.aib.ie/worried-about-payments.

Will I have a tax liability in respect of the payment?

If in the event this payment leads to a tax liability we will settle this for you, no action is required from you at this time.

Who can I speak to if I have a question or wish to make a complaint?

If you have a question or wish to make a complaint, please ring us on **0818 456 004** or write to us using the details contained in your letter.

AIB Mortgage Bank has its registered office at Bankcentre, Ballsbridge, Dublin 4 and is registered in Ireland, No. 404926. A list of names and personal details of every director of the company is available to the public for inspection at the company's registered office. AIB Mortgage Bank is a wholly owned subsidiary of Allied Irish Banks, p.l.c. AIB Mortgage Bank is regulated by the Central Bank of Ireland. Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland. Allied Irish Banks, p.l.c. is an authorised agent and servicer of AIB Mortgage Bank in relation to origination and servicing of mortgage loans and mortgages.