



## Questions and Answers

### What has happened?

We wrote to some of our customers because we made an error when they topped-up or restructured their loan account with us in the past. We have fixed our error and refunded these customers. After customers asked to change their loan, we sent them a Letter of Sanction that did not include the interest they owed before the change to their loan. This meant we charged customers more interest than we should have. When some customers asked us to change their loan, we did not include the interest they owed previously. As a result, their loan repayments were lower than they should have been. Some customers may also have overdrawn their current accounts, which resulted in us charging them more interest than we should have.

### Why are you refunding customers before writing to them?

We made sure to refund customers first to ensure the error was corrected as quickly as possible.

### Who does this affect?

The issue affects some business customers and personal customers who asked us to top-up or restructure their loan between July 2006 and July 2009.

### What is a top-up?

A top up is when customers ask to borrow more money on their loan account. We add this new amount to the balance of the existing loan account. A top-up can also happen when a customer asks us to restructure or re-contract their loan with us.

### What is a restructure?

A restructure changes the terms of an existing loan. This can include a change in repayment structure or loan term.

### How have we put this right?

We have refunded the extra interest we charged customers directly to their AIB account or, by cheque. If the loan account is still open, we recommend that customers pay this money into it to reduce the interest they will pay. We will continue to collect repayments on this loan until the loan has been repaid.

For some customers, we refunded directly to the loan account.

### What happened with business customers?

If the original interest expense gave rise to or will give rise to a tax deduction (for example, as a business expense), then the refund may be taxable. This will depend on particular circumstances. Customers should consult their tax advisor.

### What happened with joint accounts?

In this case, we refunded a joint AIB account. Where the customers do not share a joint AIB account, we sent a cheque to everyone on the loan.

**What happened if a letter mentions that a Central Credit Register (CCR) record was affected?**

We incorrectly reported the cases of some customers as being in arrears to the Central Credit Register. If a customer's CCR record has been affected, the letter says so.

Where possible, we have corrected the CCR records of these customers for the time period of this error.

However, if a customer thinks our error may have caused other lenders to refuse them credit during this time period, they should contact us on 0818 303 569.

The customer will need to give us written information from the lender that credit was refused because of CCR. If we refused a customer credit, they can call us and we'll look into it.

**How can a customer get a copy of their CCR Credit Report?**

A customer can go online at [www.centralcreditregister.ie](http://www.centralcreditregister.ie) or can phone 1890 100 050. Customers can request their credit report at any time free of charge (subject to fair usage).

**Have you told the Central Bank about this?**

Yes, we have told the Central Bank of Ireland. We have kept them up to date about everything we are doing to put this right for our customers.