



## **Website Q&A for TUK2024/01**

### **What happened?**

The variable interest rate on a loan can increase or decrease over its term, but the repayment amount does not automatically change. Because of this, when customers applied for this loan with us, their credit agreement outlined there may be a balance outstanding at the end of the loan term if interest rates increase.

During the term of the loan, the interest rate on that loan increased. While customers loans operated in line with their credit agreement, and their balance was cleared, we did not remind customers before the end of their loan term, of the potential for an outstanding balance.

### **Who does this affect?**

Some loan account customers which were not regulated by the Consumer Credit Act 2008 have been impacted.

### **How have we put this right?**

We have updated our internal procedures and put additional communication in place to ensure that customers are made aware that when interest rates change their payment will not change. We will be making a payment to customers who have cleared their loan and were affected by this.

### **Why are some customers receiving a cheque and others are being paid directly?**

As we are reviewing accounts from a number of years ago, there may be customers that no longer have accounts with AIB. In these instances, a cheque is being issued, and we would ask that this is lodged within six months, as cheques over six months may not be accepted for payment into your account.

Where we have been able to locate an account for a customer, the payment will be made directly into that account. The Payment Reference will appear on this account as AIB Payment TUK2024/01.

### **Do customers need to take any further action?**

No.

### **Why have some accounts received a letter in relation to this issue and not others?**

We have written to every customer that has been affected by this issue. If the customer did not get a letter, it means their account has not been affected.

### **Why are there two different account numbers mentioned in the letter?**

As the loan account impacted has since closed, where available, we have made the payment into customers AIB current account.

**What is the time period for this issue?**

This issue dates back a number of years and relates to interest rate fluctuation that occurred between November 2008 and July 2023.

**Has the issue been resolved?**

We have updated our internal procedures and put additional communication in place to ensure that the customer is made aware that when interest rate changes their payment won't change.

**Has AIB made any adjustments to Equifax reporting?**

No. There have been no adjustments made to customers Equifax as there was no credit reporting impact.

If you have any further questions, please contact us on 0345 6005 925\* any time between 09:00 and 17:00, Monday to Friday (excluding UK and Republic of Ireland Bank Holidays).

*\* Call charges may vary – please refer to your service provider.*