

## Seniors Money Mortgages (Ireland) DAC Variable Rate Policy Statement

**Warning:** We may change the interest rate on this loan. This means the cost of your monthly repayments may increase or decrease.

### What do we consider when setting our variable interest rates?

We consider the following factors when deciding whether or not to change our variable rates:

- Any changes in our cost of funds (i.e. the cost to us of obtaining funding in international financial markets to fund the mortgage loans lent by us in the Republic of Ireland). Our cost of funds can change for many reasons, for example a change in market interest rates, in particular the three month EURIBOR base rate or in any credit margin charged to us, or any other factors outside of our control.
- The interest rate cap (if any) applying to individual loans, which prevents the rate from exceeding a certain specified amount. A change to the rate might be required to ensure the cap is not breached.
- Any changes in the variable rates charged by other mortgage lenders on similar variable rate lifetime loans in the Republic of Ireland.
- Any changes required to:
  - Ensure we are competitive in the lifetime loan market.
  - Ensure that the amount we receive from borrowers is sufficient to maintain the long-term sustainability of our lifetime loan business in the Republic of Ireland.
  - Reflect any change in the law, any code of practice which applies to us, or a decision or recommendation by a court, ombudsman or regulator.

We may change our variable interest rates if one or more of the factors listed above has occurred, or if we know the factors will occur or are likely to occur.

### How do we make decisions when setting variable interest rates?

We review our variable interest rates on a quarterly basis, i.e. on the first business day of January, April, July and October, against the criteria set out above. Any changes must be approved by two Directors of the company.

## Why do we have different variable interest rates?

Different variable interest rates may apply where a different interest rate cap was included in the loan when it was originally set up.

## Could you get a different type of interest rate or a lower interest rate?

A mortgage is a substantial financial commitment and you should ensure that you are not paying more for it than you need to. Therefore, it is important to regularly review your mortgage and any interest rate options that may be available to you.

Seniors Money Mortgages (Ireland) DAC provides a variable rate Lifetime Loan to clients who took out their Lifetime Loan prior to 2020. As explained above, different variable rates may arise where a different interest rate cap was included in the loan at the outset. It is not possible to get a lower interest rate cap than the cap offered when the variable rate loan was set up.

As of the date of this Statement, a fixed rate Lifetime Loan is offered to new clients. Existing variable rate clients who wish to switch to the new fixed rate product can only do so by applying afresh for a new Lifetime Loan through Spry Finance, Seniors Money Mortgages (Ireland) DAC's retail division, and using the proceeds to repay their variable rate loan. Spry will work with you to assess whether this is a suitable option for you. Full details of the fixed rate loan and how to apply are found at [www.spryfinance.ie](http://www.spryfinance.ie).

If you would like to discuss moving from your variable rate Lifetime Loan to a new fixed rate Lifetime Loan, please phone the Spry Finance New Loans team on (01) 5822 570.

If you have a query about any other aspect of your variable rate Lifetime Loan please contact the Seniors Money Customer Care team on (01) 641 5400.

## Notice of changes in the variable rate

We will give you written notice of any change in the variable interest rate applying to your loan. The written notice will give the date on which the change comes into effect and any other relevant details.

January 2021

## For Lifetime Loans

**WARNING: WHILE NO INTEREST IS PAYABLE DURING THE PERIOD OF THE MORTGAGE, THE INTEREST IS COMPOUNDED ON A MONTHLY BASIS AND IS PAYABLE IN FULL IN CIRCUMSTANCES SUCH AS DEATH, PERMANENT VACATION OF OR SALE OF THE PROPERTY.**

**WARNING: PURCHASING THIS PRODUCT MAY NEGATIVELY IMPACT ON YOUR ABILITY TO FUND FUTURE NEEDS.**

**WARNING: YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP PAYMENTS ON A MORTGAGE OR ANY OTHER LOAN SECURED ON IT.**

**THE PAYMENT RATES ON THIS HOUSING LOAN MAY BE ADJUSTED BY THE LENDER FROM TIME TO TIME.**

**If your Lifetime Loan is being used for debt consolidation purposes:**

**WARNING: THIS NEW LOAN MAY TAKE LONGER TO PAY OFF THAN YOUR PREVIOUS LOANS. THIS MEANS THAT YOU MAY PAY MORE THAN IF YOU PAID OVER A SHORTER TERM.**