

Ulydien DAC – Variable Rate Policy Statement

This document is for information purposes only. It does not have any impact on or change your current mortgage arrangements but is designed to give you an overview of how Ulydien DAC set their variable interest rates. It contains information on factors which influence our variable rate pricing decisions.

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?

Ulydien DAC has one Standard Variable Rate (SVR), and four Managed Variable Rates (MVRs). These rates change solely at the discretion of Ulydien DAC, and they do not track any external reference rates, such as the European Central Bank rate. Ulydien DAC's 'Pricing Principle' is to set price points at a level where we generate long term sustainable returns for shareholders whilst being fair to consumers. Variations or changes in the factors listed below could result in changes to the Standard and Managed variable interest rates.

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| Cost of Funds | The Firm needs to pay for the funds which are lent to customers |
| Operational costs | It costs a certain amount each year to maintain each mortgage, for instance the cost of providing statements and employing staff to deal with customer queries, overpayments etc. These costs may vary with changing consumer behaviours, legal changes and a range of other factors. |
| Regulatory/Compliance Costs | Various levies and compliance costs are charged to the Firm. If these costs are increased/decreased then this will have an impact on mortgage Cost of Funds (see 'Cost of Funds' factor above). |
| Costs of managing accounts for which repayments are not up-to-date | If customers are unable to keep their mortgage repayments up to date, the Firm will incur costs in relation to working with the customer to agree a way forward, or possibly for recovering a bad debt. |
| Taxation Levels | Change in tax levels will have an impact on overall profitability. |
| Market competition | This relates to external factors such as activity in the market as a result of new entrants, competitor movements and changing customer preferences |

Where the SVR does change, any discounted variable rates held by customers which track the SVR will also change by the same value.

Why do we have different variable interest rates?

As well as the SVR and the MVRs, some customers may hold a discounted variable rate, offered in the past.

These discounted variable rates were linked to SVR by a fixed discount (for example the rate was always 0.5% below SVR) and will therefore change if SVR changes.

Discounted variable rates offered previously, and MVRs, are set at different levels based on the Loan to Value (LTV) of the mortgage at a point in time.

How do we make decisions when setting variable interest rates?

Mortgage pricing proposals are formally presented to Ulydien DAC's Committee, which includes, amongst others, senior staff from Credit Risk and Finance. The committee will assess all pricing proposals in line with the factors outlined above and has final authority to approve or reject mortgage pricing changes.

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

Ulydien DAC does not offer alternative rates for customers to choose from, and no longer offers fixed rates, but customers can choose to move to another lender if they wish. We encourage all existing customers to review their mortgage options on a regular basis, at least once per year.

If you would like to discuss the interest rate applicable to your mortgage, please contact us on 0818 210 260 or if calling from abroad: 00353 1 709 2042 and our team will be happy to help. This line is available 9am – 5pm Monday to Friday.

Ulydien DAC, trading as Ulydien, is regulated by the Central Bank of Ireland.