



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

FAQ – Redress and compensation programme for customers of permanent tsb and Springboard Mortgages Ltd.

1. Why is this programme being put in place?

As a result of an enforcement investigation by the Central Bank of Ireland, significant failures were identified by permanent tsb and its subsidiary company Springboard Mortgages Limited (Springboard) associated with tracker mortgage options and rates.

The failures identified by permanent tsb and Springboard were:

1. permanent tsb failed to inform certain customers of the consequences of their decisions to break early from a fixed rate or discounted tracker period. The consequences of breaking early were that customers lost their contractual right to be offered a tracker rate in the future (at the time that their fixed rate or discounted tracker period would have ended); and
2. permanent tsb failed to inform other customers of their right to be offered a tracker rate at the end of any fixed rate period.
3. Springboard applied incorrect interest rates to mortgage accounts.

The firms have confirmed to the Central Bank that 1,372 customer accounts were impacted by the failures. The consequences of the failures are serious and include: mortgage overpayments; mortgage arrears; legal proceedings and in certain cases loss of ownership of properties, including some homes.

Arising from the Central Bank's enforcement investigation, permanent tsb and Springboard have agreed to implement a major redress and compensation programme known as the Mortgage Redress Programme.

2. Why has the Central Bank not taken a formal enforcement action against the firms?

The Central Bank is currently conducting enforcement investigations into permanent tsb's and Springboard's failures. The conduct of the investigations has progressed in tandem with the development of the Mortgage Redress Programme. The Central Bank will continue to pursue its enforcement investigations against both permanent tsb and Springboard.

To date the Central Bank's priority has been to ensure action is being taken by permanent tsb and Springboard to address the detriment suffered by impacted customers. As such, we required that the redress and compensation programme be implemented immediately.

3. What do I do if I think I might be impacted by these failures?

Letters will be issued to impacted customers over the next two weeks, from 27 July 2015 onwards. The Central Bank would encourage all customers who receive a letter to consider it carefully, and to avail of the fixed payment provided by the firms to access independent advice on the offer contained in the letter.

Should you have any further queries we would refer you to the contact details set out below for permanent tsb and Springboard.

4. When will I receive my reduced rate, redress and compensation?

If you are a customer of Springboard, your rate will revert immediately to the tracker rate you should have been on. If you are a permanent tsb customer, you will be moved on to a reduced rate immediately while you consider your offer letter which will include an option to move to a tracker rate.

Impacted permanent tsb customers will receive redress (if applicable) and compensation payments after they complete, sign and return the instruction forms enclosed with the letter that permanent tsb will send to them. Following receipt of the forms permanent tsb will make payments within approximately 7 working days.

Impacted Springboard customers will receive redress (if applicable) and compensation payments with the letter that Springboard will send to them by way of cheque.

5. Why are different customers receiving different redress and compensation payments?

While the programme has some core elements, the payments to customers will vary depending on the individual impact the failures had on them.

Should you have any further queries we would refer you to the contact details set out below for permanent tsb and Springboard.

6. I'm not a customer of one of these firms and think something similar may have occurred to me, what should I do?

If customers of other regulated financial service providers have any concerns about how they have been treated, they should in the first instance raise it with their own regulated financial service provider; if they are not satisfied with their regulated financial service provider's response they can then proceed to lodge a complaint with the Financial Services Ombudsman who is the statutory officer for dealing with such complaints.

7. What if I am no longer a PTSB or Springboard customer?

If you have been impacted by either permanent tsb's or Springboard's failures you will be contacted by them directly regardless of whether or not you are currently a customer of theirs.

8. Who should I contact if I have further queries?

Full information on the Mortgage Redress Programme is available on www.permanenttsb.ie and www.springboard.ie. Should impacted customers have any queries in relation to the Mortgage Redress Programme, they can email permanent tsb (redress@permanenttsb.ie) or Springboard (contactus@springboard.ie) or they can call the following dedicated helplines:

permanent tsb

Freephone 1800 855 830 (or +353 1 215 1343 if calling from abroad), Monday to Friday, 8.00am to 9.00pm (including August bank holiday) and Saturdays 10.00am to 2.00pm

Springboard

Freephone 1800 804 317 (or +353 818 220242 if calling from abroad), Monday to Friday, 9.00am to 8.00pm and Saturdays 9.00am to 1.00pm.

Dedicated senior staff from permanent tsb and Springboard will be contacting customers who have lost ownership of their property directly in the coming days to support them throughout this process.