

28 February 2020

Deputy John McGuinness
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Re: Bank of Ireland Tracker Mortgage Queries

Dear Deputy McGuinness

Thank you for your email of 11 December 2019 to Governor Makhoul, which has been referred to me for response.

The assurance work completed by the Central Bank of Ireland (“the Central Bank”) throughout the Tracker Mortgage Examination (the **Examination**) was extensive and robust, including detailed documentation and data verification work on all relevant lenders’ loan books.

The Central Bank can provide broad or aggregated information on sectors and on issues as we have sought to do in the Examination. However, the information you have requested is specific to Bank of Ireland and the Central Bank is legally prohibited from disclosing confidential information relating to individual regulated entities. The Central Bank’s confidentiality obligations are essential for open regulatory dialogue and are therefore an important basis for effective regulation by the Central Bank.

Accordingly, I suggest you contact Bank of Ireland directly for the information you are requesting as the appropriate holder of the information. If you remain concerned following receipt of Bank of Ireland’s response, I am happy to consider the issue further upon receipt of the specifics of your concerns and any relevant supporting information/ documentation.

While I cannot comment on the practices of individual lenders, I can advise you that, in general, lenders require customers who are moving interest rates to complete a rate change form that specifies which, if any, terms and conditions will be amended upon signing that form. Throughout the Examination, the Central Bank challenged lenders robustly where, in our view, the rate change forms (including the terms and conditions) were unclear and had the potential to lead a customer to expect the restoration of his/her original tracker interest rate on expiry of a fixed rate. All such identified failings by lenders have now been resolved and redress and compensation paid to affected customers.



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In circumstances where the lender has deemed customers not affected by a tracker mortgage-related failure, customers have the right to make a complaint on their individual case to their lender. If the customer remains dissatisfied with the outcome of this complaint, he/she can lodge a complaint with the Financial Services and Pensions Ombudsman.

While the supervisory phase of the Examination is now complete, the Central Bank continues to monitor the outcomes of any complaints, appeals and court cases and if any new information of a systemic nature is identified, we will of course investigate it fully.

Yours sincerely

Gráinne McEvoy
Director of Consumer Protection