

## Pepper Finance Corporation (Ireland) DAC Residential Mortgage Variable Interest 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.**

### About us

Pepper Finance Corporation (Ireland) DAC (“**Pepper**”) trading as Pepper Advantage, Pepper Asset Servicing and Pepper Money is authorised by the Central Bank of Ireland. We manage residential mortgage loans using the trading names “Pepper Advantage” and “Pepper Asset Servicing”.

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

When setting or changing variable interest rates on our managed residential mortgage loans we consider a range of factors, these currently include:

#### Interest rate at acquisition

We take into consideration the variable interest rate which applied to your loan when it was acquired by the beneficial owner of your loan.

#### Cost of Funds

These are the costs which the beneficial owner of your loan will incur as a result of the continued provision of your loan.

#### Your Terms and Conditions

The variable interest rate which will be applied to your loan will be in accordance with the terms and conditions which govern your loan. It may be set out in the terms and conditions applicable to your loan that the variable interest rate will be that of your original mortgage lender\*.

#### Credit Risk

With any loan there is a risk that a borrower may not repay their loan or the interest relating to their loan. If a loan is not repaid the owner of the loan will sustain a loss of income and incur expenses in seeking to recover the amount of the loan.

#### Market Conditions

We consider the external market conditions within which the beneficial owner of the loan operates. These include, for example, changes applied by the European Central Bank to the main refinancing operations rate (ECB base rate).

#### Commercial Strategy

We consider the competitive position of the beneficial owner of the loan in the market, aligning it to the objective of a sustainable profitable business and product offering.

Changes to any of these factors could result in changes to the variable interest rates. Further, we may update the list of factors we consider when setting or changing our variable interest rates from time to time. You will be notified in writing of any changes to this Policy and the updated Policy will also be available on the Pepper website.

In all circumstances the variable interest rate applicable to your loan will be a positive rate.

\* Note: Where the variable interest rate is that of your original mortgage lender, the original mortgage lender will notify Pepper of changes to the variable interest rate and Pepper will in turn notify relevant customers in advance and apply the changes to the loan. Where the variable interest rate is that of your original mortgage lender, you should refer to the Residential Mortgage Variable Interest Rate Policy Statement on your original mortgage lender's website for information on how and why the variable interest rate on your loan will change.

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

When setting or proposing variable interest rate changes we will take one or more of the factors outlined above into consideration.

An Operating Committee, which consists of representatives from Pepper and other relevant stakeholders, including the beneficial owner of the relevant loan(s), meets periodically to review matters relating to their managed mortgage loans. At these meetings, consideration is given to whether any change should be made to the applicable variable interest rates. After considering the factors which are set out above, Pepper decides the appropriate variable interest rate.

## Why do we have different variable interest rates?

Different interest rates applied to our managed mortgage loans when these loans were acquired by the beneficial owner of the loans.

## Customers in arrears or financial difficulties

If you are in arrears (meaning you have fallen behind on your repayments) or if you are in financial difficulties a temporary or permanent reduction in the variable interest rate on your mortgage may be considered as part of an alternative repayment arrangement. Such an arrangement is based on your personal situation.

If you are in arrears or if you are in financial difficulty, it is important that you contact us. If you have not already done so, you can contact us on the details as set out below.

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

We encourage you to look at your mortgage options regularly because a different product from another lender may lead to savings for you.

The Competition and Consumer Protection Commission's website ([www.ccpic.ie](http://www.ccpic.ie)) provides information relating to switching lenders or changing mortgage type.

## Contact us

Useful Contacts		
<b>Customer Service</b> 9:00am - 5:00pm Monday - Friday <b>Customer Service</b> <b>Website:</b> <a href="http://www.pepper-advantage.ie">www.pepper-advantage.ie</a>		
For all Pepper Residential Loans;	Ireland	Outside Ireland
Residential Loan Servicing	0818 818 181	+ 353 61 236 928
If your Lender prior to the transfer of your Loan to Pepper was Mint Funding Limited, please call;	Ireland	Outside Ireland
Mint Funding Limited	0818 239 239	+ 353 61 236 907
For Personal Insolvency;	Ireland	Outside Ireland
Personal Insolvency	0818 452 453	+ 353 61 236 933

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

### Variable Rate loans

**WARNING: THE PAYMENT RATES ON THIS HOUSING LOAN MAY BE ADJUSTED FROM TIME TO TIME.**