V.1 August 2025

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.

This statement details the points we consider when setting our variable interest rates for mortgage loans.

WHAT DO WE CONSIDER WHEN SETTING OUR VARIABLE INTEREST RATES?

We may change the standard variable rate at any time. Here is a list of the factors that may result in our changing our standard variable rates:

- To reflect any change in our cost of funds i.e., the cost of funding the money we use to issue your mortgage (member deposits)
- Capital requirement: we are required to maintain a prudent level of reserves and/ or to meet any regulatory requirements that apply to us
- To reflect any change in the variable rates which mortgage lenders other than us charge on loans, to ensure we are competitive
- To meet any change in the costs we reasonably incur in administering members' accounts. These costs relate to the general day-to-day running of the Credit Union including staff, administration, and infrastructure costs
- Loan Default risk: we estimate potential losses on our mortgage loans due to non-payment by borrowers. In assessing that risk, we consider the economy, common bond, and the effects it has on the ability of members to meet mortgage payments
- To reflect any change in your circumstances or in the economy as it affects you.
- To reflect any change in taxation which affects the surplus we earn from our ordinary activities; and
- To reflect a change in the law, or in any code of practice which applies to us, or a decision or recommendation by a court, ombudsman, or regulator.

HOW DO WE MAKE DECISIONS WHEN SETTING VARIABLE INTEREST RATES?

We review our variable interest rate on a regular basis and any changes require approval by the Board of Directors.

COULD YOU GET A DIFFERENT TYPE OF INTEREST RATE OR A LOWER INTEREST RATE?

A mortgage is a considerable long-term 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. Mallow Credit Union continuously reviews its mortgage product and pricing to ensure that it is both competitive and sustainable. To view information pertaining to mortgages please go to www.mallowcu.ie on 022-21121.

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

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

Mallow Credit Union Limited is regulated by the Central Bank of Ireland.