

## Variable Mortgage Interest Rate Summary Statement

**Warning: We may change the interest rate on this loan. This means the cost of your monthly repayments may increase or decrease.**

### 1. Introduction

This statement summarises Credit Union Plus's policy for setting each variable mortgage interest rate made available to personal consumers (excluding tracker interest rates). It explains the key factors, criteria and procedures involved, and where different approaches may apply to different cohorts of borrowers.

This statement is provided on our website at [www.creditunionplus.ie](http://www.creditunionplus.ie) and with your mortgage offer documentation.

### 2. What We Consider When Setting Variable Interest Rates

In setting or reviewing variable mortgage interest rates, the Credit Union considers a range of factors, including:

- Cost of Funds – the cost of attracting and maintaining member savings and shares.
- Operating and Administrative Costs – costs associated with running and managing the Credit Union and its mortgage portfolio.
- Credit Risk and Loan Loss Provisioning – expected credit losses and risk profile of mortgage lending.
- Capital and Regulatory Requirements – costs of meeting prudential and regulatory obligations.
- Financial Sustainability – the need to generate a prudent surplus to support reserves and long-term viability.
- Market and Economic Conditions – general interest rate trends and economic environment.

### 3. Criteria and Procedures for Setting Variable Rates

Decisions relating to variable mortgage interest rates are governed by the Credit Union's approved Pricing Policy.

Rates are reviewed periodically, taking account of the factors outlined above. Any proposed changes are assessed, documented and approved in line with internal governance arrangements, under the oversight of the Board of Directors.

#### **4. Different Approaches for Different Cohorts of Borrowers**

Typically, the credit union operates a single variable mortgage rate applicable to all borrowers. However, the credit union may apply different variable rates based on defined cohorts, for example by loan-to-value (LTV) bands. Where different variable rates apply, this reflects differences in risk characteristics or product features.

#### **5. How We Communicate Changes**

If we change a variable mortgage interest rate or update this policy statement, affected members will be notified as soon as possible using paper or another durable medium. Updated versions of this statement will be made available on our website.

#### **6. Availability and Review**

This summary statement is available on our website and on request from the Credit Union.

It is reviewed regularly and updated where there is a material change to the policy for setting variable mortgage interest rates.

**Warning: Your home is at risk if you do not keep up payments on a mortgage or any other loan secured on it.**

**The payment rates on this housing loan may be adjusted by the lender from time to time (Note: Applies to variable rate loans only).**