

Ulster Bank's Commitments to those in Arrears on their Home Loan

Engagement is Key to Solving the Arrears Impasse

Fair Solutions to Keep Customers in their Homes

27th April 2015: Today (27th April 2015), Ulster Bank launched a new [customer communication](#), specifically designed to help and to encourage customers in arrears on their home loan to engage with the Bank. Ulster Bank believes that the remaining people in home loan arrears who are not yet on an arrangement with their home loan provider, can be helped if they can be persuaded to engage. This set of commitments will be sent to Ulster Bank customers in arrears on their home loan (who are not already in an arrangement) to remind them how they can engage with Ulster Bank to stay in their home.

As well as a number of clear commitments reiterating how the bank has been and will continue to help the customer and treat them fairly, the easy-to-read leaflet reaffirms how customers can arrange an appointment over the phone or face-to-face and that Ulster Bank will help you at any stage – even on the day in court, should the customer decide that they want to engage at that point

Ulster Bank employs 350 people, both in the field and in centres in Dublin and Edinburgh, who are highly experienced with ongoing training to support customers. As a consequence of this support, the number of Ulster Bank customers in arrears of 90 days or more has decreased month on month for the past 25 months – a trend not seen elsewhere in the industry. Ulster Bank has helped 12,000 customers out of arrears and back to an up-to-date position on their home loan and an additional 10,000 customers are in arrangements. In the same period that these 22,000 customers were helped, only five personal insolvency proposals were vetoed by Ulster Bank due to the specific circumstances. These figures demonstrate that the Bank's open and flexible approach is working.

There is a cost to living in a home, whether a home loan payment or rent. While the majority of Ulster Bank's customers recognise this, some 2,000 customers neither contribute to their home loan nor discuss this issue with Ulster Bank despite efforts via letter, telephone and in person. In these situations, the Bank has no choice but to pursue the legal route as a last resort. However, the primary intent of this activity remains to encourage meaningful reengagement to help the customer. It is hoped that our commitments will help to reduce the numbers of customers in the legal process.

Ulster Bank Chief Risk Officer, Stephen Bell said:

"Ulster Bank's primary objective has always been to help our customers in difficulty come to a fair, affordable solution which allows them to remain in their homes and the communities which they have chosen. We firmly believe that through engagement, a solution can be found for the vast majority of customers who are in arrears and we are trying to encourage this in every way we can.

For the 22,000 customers that have already come out of home loan arrears or are in an arrangement, these commitments are not new, but for those who are not reading the letters or answering the phone to our help, I appeal to them to engage with us. We will not seek to repossess your home if you engage with us and we can agree a solution or outcome. We will also look sensitively at your expenditure to ensure that you maintain a reasonable standard of living. But if you do not engage, we have no choice but to go down the legal route. The choice rests with the customer but we want to make sure that they know how we could help them to stay in their home.

"While we are seeing increases in repossessions through vacant and abandoned properties, we do not want to see an increase in forced repossessions. We hope that people in difficulty find our commitments to be clear, comforting and chose to accept our help. However, it is vital that our approach is fair for all customers – both those maintaining their home loans and those who are in difficulty. We encourage any customer in financial difficulty to engage with us as early as possible so that we can work together to find the right solution but also to know that it's never to late to make contact."

ENDS

Notes to Editors

These commitments apply to the principal dwelling houses of Ulster Bank Ireland Limited customers in the Republic of Ireland. They do not affect your contractual obligations to us or our contractual obligations to you. Ulster Bank Ireland Limited is regulated by the Central Bank of Ireland.

WARNING

YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP PAYMENTS ON A MORTGAGE OR ANY OTHER LOAN SECURED ON IT. LENDING CRITERIA, TERMS AND CONDITIONS APPLY.