Fixed Rate Home Loan Top Up Terms & Conditions

THIS DOCUMENT CONTAINS IMPORTANT INFORMATION. PLEASE READ CAREFULLY AND RETAIN FOR FUTURE REFERENCE.

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TERMS AND CONDITIONS

Your agreement with us (Member First Credit Union, Ltd.) for your Member First Credit Union Home Loan Facility consists of these terms and conditions and the following additional terms and conditions:

- any terms and conditions implied by law in the credit union-member relationship;
- the application form and credit agreement completed by you when applying for your loan (**Application Form/Credit Agreement**);
- all signing instructions in respect of your account that you give us from time to time and all other documents that are incorporated, either expressly or otherwise, into these terms and conditions.

Copies of these terms and conditions may be obtained from your Credit Union or on our website **www.mfcu.ie**. If you have any questions with regards to these terms and conditions, we will be happy to discuss them with you.

1 Loan Availability

1.1 This product is available to existing mortgage members of Member First Credit Union Ltd, from the age of 18 years up to 70 years.

1.2 The home loan is available for the purchase, refinance, or equity release of an existing principal private residence (owner occupied) within the Republic of Ireland.

1.3 A legal assignment of a mortgage protection policy or an increase on your existing policy will be required for the term of the Loan, which will repay the whole of the loan if you die before the loan is repaid.

1.4 The minimum loan amount is €50,000 and the maximum combined* loan amount is €700,000 (*both home loans combined- existing MFCU mortgage and the home loan top up).

1.5 The maximum combined Loan to Value (LTV) is 90% of the property market value which will be evidenced by an independent valuation, the cost of which will be borne by the member.

1.6 A valuation of the property must be provided by a valuer acceptable to the Credit Union and the valuation report remains the property of the Credit Union.

2 Applying for a Loan

2.1 An application for a home loan top up (mortgage) may be made by completing the relevant loan application form as provided by the Credit Union for this purpose. Unless we already hold it, you must supply us with all necessary information and documentation to satisfy our obligations to identify you under legislation to combat money laundering and terrorist financing.

2.2 In agreeing to advance the home loan top up, you agree to borrow funds subject to the terms and conditions set out in the letter of offer.

2.3 We reserve the right to withdraw or vary approval at any time before the completion of the mortgage transaction. You may also withdraw before the completion of the mortgage transaction.

3 Term of the Loan

3.1 The minimum term of the loan is 5 years with a maximum term of 35 years, however the home loan top up term cannot exceed the term outstanding on the main MFCU mortgage account.

4 Drawdown/Security:

4.1 You must within 30 days of receiving a letter of offer, confirm in writing your willingness to accept the offer.

4.2 You must draw down the loan in one full amount no later than 180 days after the loan is approved. In the event that the loan does not draw down within this period, the loan offer will lapse and you will be obliged to reapply with a new application and supporting documentation.

4.3 For a period of 14 days after the date of the drawdown of the mortgage you may exercise your right to cancel the agreement. You will be required to repay any monies drawn down together with any interest which has accrued since the date of drawdown in full.

4.4 Funds may not be drawn down until such time as Member First Credit Union Ltd. confirm that satisfactory insurance is in place i.e. life assurance, buildings insurance etc.

4.5 You must pay all premiums on aforementioned policies when due and in particular must maintain the policies until such time as all money owing to the Credit Union in connection with the mortgage has been repaid in full.

5 Repayment

5.1 You agree to promptly repay the loan and to pay interest on it in accordance with the terms and conditions of the Letter of offer.

5.2 Home Loan top up repayments can only be made by Direct Debit.

5.3 Repayments can only be made on a monthly basis.

5.4 In the event that your repayment becomes due on a date we are not open for business, you must pay it on the next business day.

5.5 You can make overpayments on your fixed rate mortgage. An Early Redemption Charge is due if you repay all or part of your mortgage before the end of the set fixed period, however you can make an overpayment of 10% of your outstanding fixed rate balance each year without incurring an Early breakage charge.

5.5 You can terminate the loan agreement at any time by repaying everything you owe in connection with the loan including accrued interest and the early breakage charge where applicable. See Section 10 for more details.

5.6 If the borrower wishes to make a full repayment, the Credit Union will confirm the sum payable and the Borrower is obliged to pay it in full prior to the release of the Credit Union's security.

6 Interest

6.1 The fixed rate of interest chargeable on a home loan are as follows:
Variable Rate 3.45% (APRC 3.50%)
3 Year fixed rate 3.95% (APRC- 3.66%)
5 Year fixed rate 3.75% (APRC- 3.65%)

The above quoted APRC is a typical APRC based on an assumed loan of €100,000 over a 20-year term; The annual percentage rate of charge (APRC) is the total cost of the loan expressed as an annual percentage. The APRC is provided to help you compare different offers.

6.2 Interest will be calculated and accrued based on the daily balance of the loan amount outstanding.

6.3 We charge interest to your account on a daily basis.

6.4 A fixed rate loan is calculated on the basis that the loan will not be repaid ahead of maturity of the fixed interest rate term. It is on this basis that the Credit Union is prepared to commit itself to holding its lending rate fixed for the agreed period and incur certain third party costs on your behalf. While on a fixed interest rate, the interest rate and mortgage repayment remain the same for the agreed fixed interest rate period. During this time, the interest rate will not change.

6.5 At the end of an unbroken fixed interest rate period, the interest rate on your loan will default to the standard variable interest rate then offered by the Credit Union at that time unless you choose an alternative interest rate, if on offer by the Credit Union to you at that time. Our standard variable interest rate is a variable interest rate. If the interest rate on your loan defaults or otherwise converts to a variable interest rate then offered by the credit union, your interest rate and the amount of your instalments could increase or decrease during the remaining term of your loan and your interest rate could be higher than the fixed interest rate that applied during any fixed interest rate period.

7 Statements

7.1 A statement of your home loan top up account will be issued to you on an annual basis.

8 Arrears

8.1 In the event that your mortgage account goes into arrears with a repayment not being made on the due dates or any of them, or of any breach of the conditions of the loan, the Credit Union may demand an early repayment of the principal and accrued interest.

8.2 If on realisation of its security the net proceeds are insufficient to discharge your total debit outstanding, you will immediately pay the amount of the deficiency with interest until fully discharged.

8.3 The loan and any interest relating to the loan is immediately repayable in the event of your bankruptcy, death or contractual incapacity.

9 Joint & Several Liability

9.1 If your mortgage is in joint names, the obligations of the joint mortgage account holders to us under these terms and conditions and credit agreement, in respect of all operations of the account are joint and several and the act or default of any of them shall be deemed to the act or default of all of them.

9.2 Correspondence and notices in relation to a joint account will be sent by us to the first named person on the account. Such correspondence and notices will be deemed by us to have been received by all parties to the mortgage.

9.3 Home Loan Top Up related documents must be signed by all parties

10 Fees and charges

10.1 There are no set up charges, maintenance, or transaction fees on your home loan account.

10.2 Member First Credit Union reserve the right to change its fees and charges, if we change our fees and or charges, we will display the new fees and charges structure on notices in our branches and on our web site, which can be found at www.mfcu.ie .

10.3 The Borrower is entitled to prepay the loan in full at any time or to convert to a variable rate or other fixed rate that the Credit Union may offer during the term of the loan or to make a capital repayment in excess of the scheduled instalments. In any of these circumstances an **early breakage charge** is payable by the Borrower where the fixed interest rate period has not expired. The breakage charge is calculated as follows: amount (A) x remaining term in days divided by 365 (U) x difference in cost of funds (D%). Definition of terms used in this formula: (A) amount - The amount being repaid early, or the amount being converted to a variable rate or another fixed rate period. (U) remaining term in days - Remaining number of days left before the fixed rate is due to expire. (D) difference in cost of funds - The difference between the original cost of funds and the cost of funds for the fixed rate period remaining (excluding the third party costs incurred).

11 Changes to these Terms and Conditions

11.1 We may change these terms and conditions from time to time.

11.2 Changes in these terms and conditions will be advised to you by any of the following methods; we will display the new terms and conditions on notices in our branches and on our web site, which can be found at www.mfcu.ie.

11.3 These terms and conditions are in English and we will only write and communicate with you in English.

12 Contacting each other

12.1 Our head office is Member First Credit Union Limited, Artane Roundabout, Malahide Road, Dublin 5.

12.2 We are a public limited company registered at the Companies Registration Office, Dublin under registration number C13825.

12.3 Our principal business is the provision of financial services and we are regulated as a credit institution by the Central Bank of Ireland.

12.4 If you wish to contact us in relation to your account, please telephone 01 8513400.

12.5 Subject to applicable law, we may contact you in person or by phone, post or hand delivery, or by fax, email, online or other electronic means.

12.6 You will be deemed to have received any notice sent by us to the last address notified by you immediately upon delivered if delivered by hand and 2 business days after dispatch if sent by ordinary post, even if it is mis-delivered or returned undelivered. Any notice sent by fax, email or online will be deemed to have been received by you at the time it is sent.

12.7 In the event that you change your address, you must notify us immediately so we can update our records accordingly.

12.8 We may record or monitor phone calls between you and us so that we can check instructions and make sure that we are meeting our service level standards and to ensure the security of our business and that of our customers and staff, and for the purposes of training our staff.

12.9 These terms and conditions are in English and we will only write and communicate with you in English.

13 Complaints

13.1 In the event that you wish to make a complaint, you may do so by writing to Complaints Officer at Member First Credit Union Limited, Artane Roundabout, Malahide Road, Dublin 5, or by emailing to complaints@mfcu.ie or ringing 01 8513400.

If you are not satisfied with the outcome of your complaint, you are entitled to take your complaint to the Financial Services and Pensions Ombudsman, Lincoln House, Lincoln Place, Dublin 2. Further details of our complaint's procedure are set out in www.mfcu.ie.

14 Data Protection

14.1 We will at all times comply with our obligations in accordance with applicable data protection laws and regulations as regards relevant data in our possession relating to you.

14.2 You agree that we may hold and process information about you for the purposes of operating your account.

14.3 We will make all disclosures and provide all information required to the Irish Revenue Commissioners and other relevant authorities in accordance with applicable laws and regulations.

15 Liability

15.1 We shall not be liable to you for breach of contract or for any loss of cost suffered or incurred by you in the event we cannot carry out our responsibilities to you due to circumstances beyond our reasonable control including, amongst other things, acts of God, fire, acts of government, war, civil unrest, inability to communicate with third parties, failure of any computer or telecommunications system, or failure of any payment, settlement or clearance system, labour disputes or the acts of omissions of our agents or any other third party.

15.2 We shall not be liable to you if you are claiming for any loss or damage arising from any delay or refusal to carry out any instruction for a payment to or from your loan account where we are entitled to do so in accordance with these terms and conditions or by law, or for any loss or damage you may suffer as a result.

15.3 Clause 15.2 will not apply if the Credit Union acts fraudulently, with willful default or gross negligence, or where the law does not allow us to exclude our liability.

15.4 You will be liable to indemnify us for any loss or expenses (including legal fees) that we may incur resulting from any breach of these terms and conditions by you.

16 Governing Law and Jurisdiction

16.1 The Loan Application Form and Credit Agreement and any non-contractual obligations arising out of or in connection with these forms, are governed by and construed in accordance with Irish law.

17 Miscellaneous

17.1 You shall notify the Credit Union of any changes in your personal or financial circumstances prior to the drawdown of the Loan. Without limiting its ordinary meaning, financial circumstances' shall include actual or threatened redundancy or other matter which would in the Credit Union's opinion be likely to reduce your repayment capacity. In the event of any change in financial or personal circumstances or in the event of the Credit Union becoming aware of any mis-statement in your application for the Loan, the Credit Union my refuse to allow the Loan to be drawn down and withdraw this Letter of Offer.

STATUTORY NOTICE AND OTHER NOTICES

WARNING

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

WARNING

THIS NEW LOAN MAY TAKE LONGER TO PAY OFF THAN YOUR PREVIOUS LOANS. THIS MEANS YOU MAY PAY MORE THAN IF YOU PAID OVER A SHORTER TERM.

WARNING

IF YOU DO NOT MEET THE REPAYMENT ON YOUR CREDIT AGREEMENT, YOUR ACCOUNT WILL GO INTO ARREARS. THIS MAY AFFECT YOUR CREDIT RATING WHICH MAY LIMIT YOUR ABILITY TO ACCESS CREDIT IN THE FUTURE. THE POSSIBLE IMPLICATIONS AND EFFECTS OF MISSING THE SCHEDULED REPAYMENTS IN RELATION TO THIS CREDIT/LOAN AGREEMENT (IF APPROVED ARE):

- **YOUR ACCOUNT MAY GO INTO ARREARS.**
- **YOUR CREDIT RATING MY BE AFFECTED.**
- **YOUR LOAN MAY BECOME REPAYABLE ON DEMAND; AND -**

ULTIMATELY YOU MAY LOSE YOUR HOME.

WARNING

IF YOU CANCEL OR MAKE A CLAIM FOR REIMBURSEMENT OF A DIRECT DEBIT REPAYING YOUR MORTGAGE ACCOUNT, AND FAIL TO MAKE ALTERNATIVE ARRANGEMENTS FOR PAYMENT, YOUR ACOUNT WILL GO INTO ARREARS

WARNING

THE VARIABLE INTEREST RATES ON A HOUSING LOAN MAY BE ADJUSTED BY THE LENDER FROM TIME TO TIME.

THE COST OF YOUR MONTHLY PAYMENTS MAY INCREASE

WARNING

YOU MAY HAVE TO PAY CHARGES IF YOU PAY OFF A FIXED- RATE HOME LOAN EARLY.

Member First Credit Union, Ltd. is regulated by the Central Bank of Ireland