

**Inquiry pursuant to Part IIIC of the Central Bank Act 1942 (as amended) concerning
permanent tsb p.l.c. (PTSB) & Mr David Guinane
(the “Inquiry”)**

**Inquiry Management Meeting (Held in Public)
On Monday, 26 June 2023**

Opening Statement of Mr Peter Hinchliffe

Good morning.

Welcome to the 5th inquiry management meeting in respect of an Inquiry being held under Part IIIC of the Central Bank Act 1942 concerning permanent tsb p.l.c. (to whom I shall refer as PTSB) and Mr David Guinane. I am Peter Hinchliffe, the sole Inquiry Member.

This is the first meeting to be held in public so it is appropriate to remind ourselves of the background:

Notice of the Inquiry was issued on 9 November 2021 to Mr Guinane and thereafter to PTSB. The notice explained that the Central Bank of Ireland had determined that it has reasonable grounds to suspect that Mr Guinane participated in the commission of a prescribed contravention by PTSB during the period from 19 January 2009 to April 2010 whilst he was a person concerned in the management of PTSB.

The prescribed contravention which PTSB is suspected of having committed and which the Central Bank suspected Mr Guinane of having participated in can be summarised as follows:

During the relevant period – that is from January 2009 to April 2010 – PTSB decided to apply, or decided to continue to apply, an interest rate for tracker mortgage customers (who were coming off a temporary fixed rate) that was less favourable except where the customer raised specific queries about the rate they were to be charged.

The Central Bank suspects that PTSB treated those customers who did not complain about the tracker rate that was applied after the fixed rate period, unfairly and contrary to their best interests when compared to those that actually complained i.e. by only giving the more favourable tracker rate to those who complained or queried.

The Central Bank suspects that this was a breach of General Principle 1 of the Consumer Protection Code 2006 which required PTSB to, amongst other things, “ensure that in all its dealings with customers and within the context of its authorisation it acts honestly fairly and professionally in the best interests of its customers and the integrity of the market.”

The Central Bank also suspects that Mr Guinane, in his role as Chief Executive Officer of PTSB, participated in PTSB’s breach of the Consumer Protection Code 2006.

The meeting today is intended to permit me to hear from the participants to the Inquiry on some key issues of law that may be important in deciding the outcome of the Inquiry.

In addition, today’s meeting is intended to provide an opportunity for the participants to comment on some aspects of the procedures by which the Inquiry will be conducted, including the hearing that will take place during October 2023. I wish to hear any submissions relating to the draft schedule of witnesses, and the protocol for the conduct of the Hearing that I have circulated in advance of today’s meeting. I would also like to hear any update on the Privilege Protocol that has been issued.

Certain evidence relevant to the outcome of the Inquiry is subject to a claim of legal professional privilege. Accordingly, in order to preserve legal rights in this regard, evidence and oral submissions which touch upon this material will not be heard in public.