

Butterfield to Provide Borrowers the Option to continue Loan Payment Deferrals

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The Bank of N.T. Butterfield & Son Limited (“Butterfield”) announced it will be providing existing clients who have personal loans and mortgages in good standing (i.e., current or less than 30 days delinquent) with the option of deferring loan payments by another three months should they be facing ongoing financial difficulty due to the impact of COVID-19 on their incomes.

Butterfield introduced a three-month automatic payment deferral programme on all residential mortgages and personal loans in good standing in March, meaning customers were not required to make principal and interest payments between 1 April and 30 June 2020 (inclusive), with all penalties waived.

Clients wishing to avail themselves of the payment deferral offer for an additional three months (to 30 September 2020) must notify Butterfield to opt in. Deferrals will no longer be automatic.

Clients already participating in the programme will be contacted directly by Butterfield with instructions on how to opt-in. If, for any reason, participating clients do not receive a communication from Butterfield by 4 June 2020, they can e-mail the Bank on personallending.bermuda@butterfieldgroup.com. Clients who wish to continue or resume their regular payments on personal loans and mortgages do not need to take any action.

As a reminder, authentic e-mails from Butterfield will never ask clients to login to click on embedded links, visit a website or open an attachment to update, unlock or verify online banking or personal financial information.

Clients availing themselves of payment deferrals should understand that interest on the outstanding loan balance at the contractual interest rate, payable during the payment deferral period (where no loan or interest payments are being made) will be added to the outstanding principal and may result in extension of loan terms. Therefore, the total amount of interest paid over the lifetime of the loan will increase as a result of any payment deferrals.

Automatic payment deferrals on credit cards, which have been similarly in place for the period 1 April through 30 June 2020, will be discontinued effective 1 July 2020. This means late payments on cards after 1 July will incur penalties as outlined in the applicable cardholder agreements. Any clients who are facing difficulty meeting their card payment obligations should contact the Bank directly.

As the situation evolves, Butterfield continues to review and adjust its COVID-19 response. Details regarding the Bank’s current health, safety and operational measures are available on the Bank’s website, www.butterfieldgroup.com, as well as the Bank’s social media channels.