

Mortgage Arrears Resolution Process (MARP)

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Introduction

Anyone can get into difficulty managing their finances. Even small changes in your circumstances can put pressure on your mortgage repayments.

At Ulster Bank, we are committed to supporting you if you are in financial difficulty. We can help you take control of your debt and get back on track.

If you think you may have difficulty paying your Ulster Bank mortgage, or you are already behind in repayments, this guide will show how we can help you, through our Mortgage Arrears Resolution Process (MARP).

This guide forms part of our commitment under the Code of Conduct on Mortgage Arrears (CCMA) published by the Central Bank of Ireland **www.centralbank.ie**.

We provide it to help people who think they may be in financial difficulty, those already in difficulty and those who are currently in an agreed arrangement with their mortgage.

We will try to help you when your mortgage is in arrears. However, if you are in arrears on a mortgage that is not for your primary residence or your sole residential property in the state, we may not apply the Code of Conduct on Mortgage Arrears.

Definitions

Code of Conduct on Mortgage Arrears (CCMA)

The Central Bank of Ireland have a structure in place known as the Code of Conduct on Mortgage Arrears which mortgage lenders must operate within when dealing with borrowers in mortgage arrears or at risk of going into arrears. The CCMA was amended in 2013 and the full Code is available on the Central Bank website:

www.centralbank.ie/docs/default-source/regulation/consumer-protection/other-codes-of-conduct/4-gns-4-2-7-cp-code-2012.pdf

Arrears

This is where a repayment has not been paid in full, on the agreed date as per your original contract.

Arrears Support Unit

This is our dedicated support unit that manages the Mortgage Arrears Resolution Process.

Term

This refers to the length of your mortgage, normally months or years.

Credit History

This is the track record of your repayments on loans/mortgages/credit facilities you have or had in the past. The Irish Credit Bureau and Central Credit Register provide records on most borrowings.

If you would like a copy of your information held by the Central Credit Register, credit reference and fraud prevention agencies we use, or if you want further details of how your information will be used by the Central Credit Register and credit reference agencies please visit their websites or contact them using the details below. You can request your own credit report at any time from the Central Credit Register. They may charge a fee.

The Central Credit Register

Web Address: www.centralcreditregister.ie

Email: myrequest@centralcreditregister.ie

Lo-Call: 1890 100050

Landline: 00 353 1-2245500

The Irish Credit Bureau D.A.C.

Post: ICB House, Newstead, Clonskeagh Road, Dublin 14, D14PX09

Web Address: www.icb.ie

Phone: +353 01 2600388

Tracker Mortgage

A tracker mortgage is a type of mortgage which changes its interest rate when the European Central Bank (ECB) rate changes.

Standard Financial Statement (SFS)

This is a form that banks use to collect financial information, so that we can assess your circumstances and come up with a solution to your financial difficulties.

Principal Residence

This is a property which is either the residential property in which you live or the only residential property which you own in this state.

The Mortgage Arrears Resolution Process (MARP) has four steps

Step 1 – Communication

Step 2 – Your financial information

Step 3 – Our assessment

Step 4 – Resolution

Step 1 **Communication**

We can only help you if you keep in touch with us. If you have missed a mortgage repayment or anticipate that you will not be able to meet a mortgage payment, call us at our Arrears Support Unit on 1800 435 763 Monday to Thursday 9am – 7:30pm, Friday 9am – 6pm and Saturday 9am – 1pm.

You can also contact your local branch where a trained and dedicated mortgage adviser is on hand to help or your Relationship Manager.

We also have a dedicated Managing Debt page on our Ulster Bank website where you can request a call back from an agent www.ulsterbank.ie/managingdebt

Step 2 **Your financial information**

In order to assist you, we will need to get up to date information about your income and expenditure. We will ask you to complete a Standard Financial Statement (SFS). A copy of this form is available in your local branch and on our website www.ulsterbank.ie/managingdebt

You may wish to seek independent advice to help you to complete the Standard Financial Statement (on the contact information page, you will find details of **Money Advice & Budgeting Services**).

We require you to give a full and honest account of your financial situation. We use this information to make our decisions and to manage your case through the MARP. We may ask to see some documents to support the information you give us, for example, bank statements.

Step 3 **Our assessment**

Our Arrears Support Unit will review your Standard Financial Statement. The unit will assess your case, taking into account:

- Your personal circumstances
- Your overall level of debt
- The information you gave us in the Standard Financial Statement
- Your current repayment capacity
- Your previous credit history

Step 4 **Resolution**

Following the assessment of the information that you have supplied, we will work with you to determine if an appropriate alternative repayment arrangement can be put in place based on your individual circumstances. Arrangements are subject to the banks own criteria being met. Subsequent alternative repayment arrangements may be appropriate at the end of an alternative repayment arrangement or during an agreed alternative repayment arrangement if your circumstances change.

Appeals

Under CCMA, a lender must have an appeals process to enable a borrower to appeal in relation to a decision of the lender, including:

- a) where an alternative repayment arrangement is offered by a lender and the borrower is not willing to enter into the alternative repayment arrangement;
- b) where a lender declines to offer an alternative repayment arrangement to a borrower; and
- c) where a lender classifies a borrower as not co-operating

To appeal any of the above points, please write to our Appeals Administration Team at: Appeals Board, Ulster Bank, Block B, Central Park, Leopardstown, Dublin 18. To appeal a decision made by our Arrears Support Unit you must submit your appeal in writing within 20 business days of receipt of our decision.

If you are unhappy with the decision of the Appeals Board, you have the right to refer the matter to the The Financial Services and Pensions Ombudsman, Lincoln House, Lincoln Place, Dublin 2, D02 VH29.

Telephone **(01) 567 7000**, or email **info@fspoi.ie**

Complaints

You have the right to submit a Complaint in relation to the following:

- Treatment of your case under Code of Conduct on Mortgage Arrears (CCMA);
- Compliance with the requirements of CCMA.

If you are not happy with the above points in relation to your case, please let us know. You can contact us:

- In person, by calling into your local branch;
- In writing, by addressing your letter to your local branch manager;
- By telephone using your usual contact number or through Anytime Banking.

Telephone **+353 1 8047475** or lo-call **1850 424 365**.

We will aim to resolve your concern straight away but if we are unable to do so within five business days, we will write to explain this to you and confirm when we will be in contact again. Occasionally there may be complaints that are particularly complex and this may take longer to resolve but we will ensure to keep you updated throughout the process. If we are unable to resolve your complaint by the end of 40 business days, we will issue you with a letter setting out the anticipated timeframe within which we hope to resolve your complaint and provide you with contact details for the Financial Services and Pensions Ombudsman. If your complaint relates to a product or service purchased online, you can contact the European Commission using their Online Dispute Resolution (ODR) platform. The ODR platform, primarily aimed at European Union (EU) cross-border disputes, is designed to help consumers resident in the EU get access to dispute resolution if they remain unhappy with the response they have received from a trader established in the EU. To use the ODR platform <http://ec.europa.eu/odr> you will need the following information: **ComplaintsRI@ulsterbank.com**. Please note that under current rules the European Commission will ultimately redirect your complaint to the Financial Services and Pensions Ombudsman (FSPO), therefore you may prefer to contact us or the FSPO directly in the first instance regarding your complaint.

Communications

Whenever we communicate with you, be it verbally or in writing, we will apply the following principles.

Principles:

- Our communications will be carried out in a timely manner, will not be aggressive, intimidating or harassing.
 - Written communications will be presented in a clear, consumer friendly and plain English manner.
 - The level of communication will be proportionate, will not be excessive and we will give you flexibility to contact us at a time of your convenience. We will also endeavor to agree future communications with you.
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Additional information

State supports

You may be able to claim state supports, such as Mortgage Interest Supplement or Mortgage Interest Relief.

Mortgage Interest Supplement

If you are unemployed or your pay has been reduced, you may be entitled to claim a Mortgage Interest Supplement to help you with your mortgage repayments.

To find out if you're eligible for this supplement, contact the Community Welfare Officer at your Local Health Centre or visit www.welfare.ie

Mortgage Interest Relief

Mortgage interest relief is a tax relief based on the amount of mortgage interest you pay in a given tax year for your primary residence. For more information on Mortgage Interest Relief visit www.citizensinformation.ie or www.revenue.ie

Mortgage Fees

At Ulster Bank, we do not apply penalty interest fees or surcharges in relation to mortgage arrears. However, we will continue to charge interest on your outstanding mortgage account balance, including any missed mortgage repayments. Also, where we have legal or administration fees, we will write to tell you about them and they will be applied to your mortgage account.

Mortgage protection and home insurance

You should check if your mortgage protection covers are still suitable where you have arrears on your account, and/or we have agreed an alternative repayment arrangement. You should still insure your home. You may need to seek independent advice in relation to this.

Payment Protection Insurance

If you have payment protection insurance in relation to your mortgage which has gone into arrears, you may wish to contact your provider to see if you can make a claim on this.

Arrangement Options

Points to note

- Depending on your individual circumstances, one, or a combination of our alternative repayment options may be considered for you.
- Each of the options for alternative repayment arrangements are subject to the lender or a third party's qualifying criteria, and may be assessed on an individual case-by-case basis.
- Some alternative repayment arrangement may be affordable for you in the short term but could be more expensive over the life of the loan.
- Amending the repayment schedule, term, or frequency of your mortgage will impact the benefit(s) covered by any Payment Protection Plan you may have on your loan account.
- Life Assurance cover should take account of any arrears on your mortgage, and/or alternative repayment arrangements. We recommend that you get advice on your life assurance needs.

The availability of the below options are subject to an individual assessment of your personal situation, and meeting our criteria.

Arrangement Options	Explanation
Short Term Arrangements	
Interest Only Repayment	For a temporary period, you will only pay the interest element of your repayment. This will mean that your repayment amount will reduce during this arrangement. When this arrangement ends you will return to paying capital and interest repayments. As you have not made capital repayments during this arrangement your future (Capital and interest) repayments will increase for the remaining term.
Reduced Repayments	For an agreed period of time your repayments will reduce as you will be paying a reduced amount of capital and/or interest in your repayment. At the end of this arrangement your repayments will increase to cover the reduced capital and/or interest during this arrangement. The increased repayments will ensure your mortgage/loan is repaid within the remaining term.
Moratorium Repayment Break	For an agreed period of time your repayments are postponed. When this arrangement ends, your repayments will increase to cover the postponed repayments; this will ensure the mortgage/loan is repaid within the remaining term.
Long Term Arrangements	
Term Extension	This arrangement will mean that the term remaining on your mortgage/loan is extended. Your repayment amount will be reduced as the loan/mortgage has been spread over a longer period. However, you will pay more interest as your term has been extended.
Capitalisation of Arrears	This arrangement will mean that arrears outstanding will be added to the remaining capital balance of the loan/mortgage. Your future repayments will increase to repay the loan/mortgage within the remaining term. You will no longer be in arrears.
Fixed Rate – Reduced Repayment for the remaining term	This arrangement will mean that for the remaining term of your loan/mortgage, your repayments will be reduced. At the end of the loan/mortgage term, there will be a residual balance which will need to be repaid. We will contact you to address this towards the end of your loan/mortgage term.

Arrangement Options	Explanation
Long Term Arrangements	
Reduced Interest Rate	This arrangement will mean that for an agreed period of time the interest rate on your mortgage /loan is reduced. This means that you will be repaying more capital over this period and your mortgage/loan balance will reduce quicker in this period. At the end of this arrangement, you will return to a Variable Mortgage Rate or the tracker rate (if your mortgage/loan was on this prior to the arrangement being put in place). Repayments may increase. This arrangement is only available on your primary residence.
Modified Mortgage	This arrangement will mean that your outstanding mortgage balance is split into two parts: you will continue to repay Part 1 in full over an agreed term and in line with your affordability; Part 2 will be set aside for a period of time where you will not be required to make payments. This arrangement may also include an element of debt write off.
Other Options Available*	
Mortgage to Rent	A Government initiative whereby you voluntarily surrender your property to the lender. The Lender will sell the property to the Approved Housing Association (AHA) at the current market value and you remain in the property as Social Housing tenants of AHA. Where a shortfall exists (the property is sold for an amount lower than what is currently owed on the mortgage), the shortfall will be repayable by you under new terms set by the lender.
Trading Down	If you feel the current mortgage balance is no longer affordable, we will assess your circumstances to ascertain what level of debt is now affordable to enable you to sell existing property and trade down to another suitable/more affordable property.
Assisted Surrender	If you can no longer meet the repayments on your mortgage and if you are not eligible for social housing, this arrangement offers you the option to voluntarily surrender your property to us. We will sell the property on your behalf and assess your ability towards repayment of any outstanding balance on the mortgage following the sale of the property. The bank may write off this residual balance where there is no ability to repay.
Assisted Voluntary Sale	If you feel the current mortgage balance is no longer affordable we will assist you in the sale of the property. Where there is an outstanding balance remaining on the mortgage you remain liable for this amount.
Voluntary Repossession	If you feel that the current mortgage balance is no longer affordable you can request the bank to take ownership of the property. We will sell the property on your behalf but you will remain liable for any outstanding balance.

*subject to an individual assessment of each case and meeting the lender's (or a third party's) criteria.

Use of Confidentiality Agreements

Where an alternative repayment arrangement, or an option, other than an alternative repayment arrangement is being proposed to you by the bank, you may be required to enter into a confidentiality, non-disclosure or other similar agreement. This agreement obliges you to keep confidential the existence and terms of the proposal and /or the fact that discussions and/or negotiations are taking place between the bank and you and/or the scope and terms of such discussions/negotiations (Information). You may not disclose this Information to any third party except to your advisors, agents, employees and/or directors, and you are obliged to ensure that such persons also keep the Information confidential. This obligation does not apply to any disclosure of information required by law.

Alternative repayment arrangement reviews

We may contact you periodically to review your alternative repayment arrangement, and in addition we will be in contact at least 30 days prior to the end of the Arrangement to assess your financial circumstances and to determine what other option(s) are suitable and sustainable for you.

You may also consider other options to meet your mortgage payments, i.e. renting. If you are in financial difficulty you may also be entitled to social housing but you will need to consult your local housing authority directly for further information (please see page 13 for further detail).

Prior to completing a full assessment of your financial situation we may agree a temporary arrangement to ensure that your financial situation does not worsen as a result of any potential delay. This temporary arrangement will be for a short period of time to allow us to complete a full review of your financial situation and agree a more suitable option for your mortgage.

Where we offer you an option, we will explain it clearly including any implications it has for you.

Tracker Mortgage

If you have a tracker mortgage, we will not ask you to change to another type of mortgage unless you want to. For example, if you are having difficulty paying a tracker mortgage and the best alternative repayment arrangement for you is a fixed interest period, you will be able to go back to the original tracker mortgage at the end of the fixed interest period. When you revert to your original tracker mortgage the tracker mortgage rate will be determined by the European Central Bank (ECB) rate at that time. ECB rate changes can impact your normal monthly repayment or an alternative repayment arrangement.

Timelines

Where we impose a timeline for return of information, including a Standard Financial Statement, we will be fair and reasonable. We will take into account the timeline requirement to obtain the information from a third party.

If you have any questions in relation to our four step Mortgage Arrears Resolution Process (MARP) please contact us on **1800 435 763** or contact your Relationship Manager.

Not co-operating

It is important that you co-operate and engage with us to ensure that your situation can be assessed and viable options presented to you, based on your circumstances. There are serious implications if your lender classifies you as not co-operating.

You are at risk of being classified as not co-operating if any of the following apply to your particular case:

- You fail to make a full and honest disclosure of information, that would have a significant impact on your financial situation;
- You fail to provide information (which we may request as part of our assessment of your circumstances) relevant to your financial situation, within specified timelines which we will advise to you;
- A three month period elapses:
 1. (a) Where you have not entered into an alternative repayment arrangement and during which you:
 - (i) Have failed to meet your mortgage repayments in full in accordance with the mortgage contract; or
 - (ii) Have met your mortgage, but you still have arrears outstanding; or
 - (b) You have entered into an alternative repayment arrangement and during which you failed to meet in full repayments as specified in the terms of an alternative repayment arrangement; and
- 2. During which you:
 - (a) You failed to make contact with, or respond to any communications from us or a third party acting on our behalf; or
 - (b) You have made contact, or responded to communications from us, or a third party acting on our behalf but have not engaged in such a way that enables us to complete an assessment of your circumstances.
- You have failed to carry out the actions specified by us within any Warning Letters which we are required to provide to you prior to classifying you as “non co-operating”.

Implications of being classified as not co-operating

- You will lose the protections of Mortgage Arrears Resolution Process.
 - Legal proceedings may commence immediately for repossession of your property.
 - The legal costs can be expensive, at least €3,000 and may be more. If there are any additional costs due to the repossession or disposal of the property you will remain liable for these costs including outstanding debt, any accrued interest, legal, selling and other related costs.
 - If we end up repossessing or selling your property, you would still have to pay any outstanding debt, interest, our charges, and our legal and selling costs.
 - If arrears remain on your account for more than 30 days this may have an impact on your credit rating which could affect future borrowings.
 - Any arrears or alterations to the mortgage loan as a result of alternative repayment arrangement may be recorded with the Irish Credit Bureau, Central Credit Register and other credit reference agencies or registers, where permitted by contract or required by law.
 - You may no longer be eligible for a Personal Insolvency Arrangement under the Personal Insolvency Act 2012. For further information on Personal Insolvency Arrangements see www.mabs.ie (see page 12 for additional contact information).
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Contact information

Arrears Support Unit

If you are having difficulty meeting your mortgage repayments or you are already in arrears, we're here to help. You can contact our team on Freephone number **1800 435 763**, your Relationship Manager, or you can request a callback on our Managing Debt website **www.ulsterbank.ie/managingdebt**

Ulster Bank branches

We can help you best if you get in touch with us. Find the number of your local branch in the phonebook or on **<https://locator.ulsterbank.ie/>**

MABS (Money Advice and Budgeting Service)

MABS is a Government agency that provides free, confidential and independent advice on your debt problems. There are offices all over Ireland.

Telephone: **0761 07 2000** (Monday to Friday 9am – 8pm) **www.mabs.ie**

Stepchange Debt Charity Ireland

Stepchange offers free and impartial help and advice to deal with debt.

Freephone **1800 937 435** **www.stepchangedebtcharity.ie**

Court Service

The Courts Service can give you detailed information on the courts system and can answer any questions you have. Address: 15 – 24 Phoenix Street North, Smithfield, Dublin 7.

Telephone: **01 888 6000** **www.courts.ie**

Legal Aid Board

This organisation aims to provide professional, efficient, cost-effective and accessible legal aid. They will also provide you with legal advice. Address: Quay Street, Cahirciveen, Co. Kerry, V23RD36.

Telephone: **066 947 1000** LoCall: **1890 615 200**

info@legalaidboard.ie **www.legalaidboard.ie**

Code of Conduct on Mortgage Arrears

All banks operating in the Republic of Ireland must follow this Code of Conduct. To see this Code, visit the Central Bank of Ireland's website:

www.centralbank.ie/docs/default-source/Regulation/consumer-protection/other-codes-of-conduct/24-gns-4-2-7-2013-ccma.pdf

Recession Survival Guide

The Competition & Consumer Protection Commission has put together a free 'Recession Survival Guide' with tips and legal information that could come in handy. You will find this guide at

www.consumerhelp.ie

Social Welfare Agencies

You may be entitled to help with your financial situation, so you should check up on any potential entitlements. For a list of social welfare agencies that may be able to assist you, visit **www.welfare.ie**

How to cut through the jargon

To know exactly where you stand financially, it's important to have a clear understanding of the words we use. You will find a list of the most common words you will come across when you deal with us on page 4. In addition, the Competition & Consumer Protection Commission website www.consumerhelp.ie has a 'jargon buster' section which you may find helpful.

Social Housing

When considering the process of voluntarily surrendering your home, you might want to assess your options in respect of alternative accommodation to meet your housing need. This may include applying for social housing support. In this instance we can provide you with a letter confirming that you are no longer able to meet the repayments due in respect of your mortgage and are unlikely to be able to do so in the future. While this letter may be required as part of the assessment process it would not confirm eligibility, and you are advised to seek further information on the Citizens Information website, www.citizensinformation.ie or to contact your housing authority directly.

Contacting the Arrears Support Unit

For SFS Assessment purposes, please have the following information to hand before contacting the Arrears Support Unit*

- Mortgage account number
- Ulster Bank loan account numbers
- Ulster Bank credit card numbers
- Details of any other loans you may have (provider/balance outstanding/term remaining/monthly payments)
- Details of any other credit cards you may have (provider/limit/monthly payments)
- Recent payslips

Details of the following expenditure are also helpful during the call:

- Electricity/gas/oil/waste
- Food/housekeeping/personal care
- Clothing/footwear
- Home insurance/life insurance/health insurance
- Motor insurance/tax/NCT
- Telephone/mobile/broadband
- Club subscriptions
- Childcare/educational costs

*From time to time we may require further information in addition to the details outlined above. This will depend on each customer's individual circumstances.

Important Information to Note

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

WARNING: IF YOU DO NOT MEET THE REPAYMENTS 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.

If you have a variable rate mortgage:

WARNING: THE PAYMENT RATES ON THIS HOUSING LOAN MAY BE ADJUSTED BY THE LENDER FROM TIME TO TIME.

If you have a fixed rate mortgage:

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

If you have a debt consolidation mortgage:

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.

If you have an endowment loan:

WARNING: THERE IS NO GUARANTEE THAT THE PROCEEDS OF THE INSURANCE POLICY WILL BE SUFFICIENT TO REPAY THE LOAN IN FULL WHEN IT BECOMES DUE FOR REPAYMENT.

If you have interest only repayments on a temporary basis:

WARNING: THE ENTIRE AMOUNT THAT YOU HAVE BORROWED WILL STILL BE OUTSTANDING AT THE END OF THE INTEREST-ONLY PERIOD.

WE WILL STAY IN TOUCH WITH YOU DURING YOUR ARRANGEMENT, HOWEVER PAYING THE MORTGAGE REMAINS YOUR RESPONSIBILITY. IF YOUR FINANCIAL CIRCUMSTANCES CHANGE, YOU SHOULD ENSURE THAT YOU REMAIN IN CONTACT WITH US.

IT IS IMPERATIVE THAT YOU FULLY CO-OPERATE WITH US, YOUR MORTGAGE LENDER REGARDING YOUR MORTGAGE ARREARS OR YOU MAY BE AT RISK OF BEING CLASSIFIED AS NOT CO-OPERATING.

YOU MUST ALSO BE AWARE THAT IF THERE IS ANY OUTSTANDING DEBT OUTSTANDING ONCE THE MORTGAGE REACHES THE END OF THE TERM THIS COULD BE RECOVERED THROUGH ADMINISTRATION OF YOUR ESTATE.

To find out more:



Call into your local branch



1800 435 763



www.ulsterbank.ie/managingdebt

Braille, large print and audio

This brochure is also available in Braille, large print, audio or on disk.
Please contact your local branch for details.

 **Ulster Bank**
Help for what matters

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