



**Mars**  
CAPITAL

# Our Mortgage Arrears Resolution Process

**Your Guide**

## About us

Mars Capital Finance Ireland DAC is regulated by the Central Bank of Ireland as a credit servicing firm authorised under Part V of the Central Bank Act 1997 (as amended). Registered in Ireland No.558978. Registered office: One Warrington Place, Dublin 2, D02 HH27, Ireland.

‘Mars Capital’ is a trading name of Mars Capital Finance Ireland DAC. In this document, ‘Mars Capital’ refers to the credit servicing firm, Mars Capital Finance Ireland DAC.

Mars Capital is responsible for all credit servicing activity on your account and will be in contact with you to discuss possible options which may be available to you to address any arrears that might have arisen.

## Our Mortgage Arrears Resolution Process

At Mars capital we understand that people’s financial situation may change over the lifetime of a mortgage. We encourage all our borrowers whose financial situation has changed and who may struggle to pay your mortgage to please get in touch with us as soon as possible. We have a team of highly trained advisor who are fully committed to working with you to find a resolution. We’ve designed a wide range of financial product that may be suitable for your situation, more information on these products can be found in this brochure.

We’ve established a Mortgage Arrears Resolution Process to help you if your mortgage loan account is in arrears or if it is at risk of going into arrears. This is part of our commitment under the Code of Conduct on Mortgage Arrears.

We will always work with you to try and come to an arrangement appropriate to your circumstances and will require your cooperation and commitment to your mortgage loan to be able to do so.



# Four steps of MARP

## 1 Communication

### Communication with borrowers

We encourage all borrowers who feel that they may struggle to pay their mortgage to contact us as soon as possible. We have a dedicated Arrears Support Unit available to work with you if you are having repayment difficulties or are worried that repayment problems may arise. Alternatively, if you provide Mars Capital with your written consent, we will deal with a third party named by you to act on your behalf.

### Communications Policy

Mars Capital has put in place a Communications Policy designed to ensure that all communication with you, whether in writing, face to face or over the phone will be open and transparent. As a result, we undertake that all communications with you will be governed by the following commitments:

If you fall into arrears,

- We will try to contact you to find a solution that works in the best way for both parties.

- Contact with you will be reasonable and will consider your personal circumstances, where these are known.
- We will be sensitive to your situation.
- If we need more information from you, we will give you a reasonable amount of time to provide this information.
- We will be honest and open about the resolution options available.

We are committed to guiding you through each step of the process using simple and understandable language. However, if there's anything you find unclear or uncertain, we strongly encourage you to reach out to us as soon as possible where we can provide a full explanation or direct you to providers of free independent advice.

Communication between Mars Capital and you is crucial to achieving the long-term resolution of your arrears. We are available to discuss any aspect of your mortgage loan account in the following ways:

**By Phone:**

Please call LoCall 1800 816 121  
or if calling from abroad on +353 1526 8580

Select Option 1 for general enquiries.

Select Option 2 to speak to a member of our Arrears Support Unit.

**By Post:**

Mars Capital Finance Ireland DAC PO Box 12546  
Dublin 2, Ireland

**In face-to-face meetings:**

We can arrange a face-to-face meeting either in our office, or one of our agents can visit your home at a time that suits.

We are available to take your calls between the following times: Monday to Friday: 9am - 5.30pm  
(Excluding Bank Holidays)



Your active involvement in the MARP process is crucial. If you don't engage, there's a risk of being classified as non-cooperative according to the guidelines set out in the Code of Conduct of Mortgage Arrears.

### When is a borrower considered to be 'not co-operating'?

In brief, you might be considered non-cooperating if:

1. You do not make a full and honest disclosure of information that would have a significant impact on your financial situation.
2. You do not provide information, relevant to your financial situation, within the timeline specified; or
3. A three-month period elapses during which you have:
  - Not entered into an alternative repayment arrangement, and have failed to meet your mortgage loan account repayments in full, or have met your mortgage loan account repayments in full but have an arrears balance remaining on your mortgage loan account; or
  - Entered into an alternative repayment arrangement but have failed to meet in full the repayments as specified in the terms of the alternative repayment arrangement; and
  - Failed to make contact with, or respond to any communications from Mars Capital or a third party acting on our behalf; or
  - Have contacted, or responded to, communications from Mars Capital or a third party but have not engaged in such a way that enables us to properly complete an assessment of your circumstances; and
  - You will only be classified as not co-operating after Mars Capital has written to you as required by the Code to tell you that you may be classified as not co-operating and after you have failed to carry out the actions which we requested.

### Consequences of not co-operating

Not co-operating with this process has serious consequences - namely:

- You will be outside of the MARP and the protections of the MARP will no longer apply.
- We may take legal action for repossession of the property immediately after classifying you as not co-operating.
- Your eligibility for a Personal Insolvency Arrangement in accordance with the Personal Insolvency Act 2012 may be impacted.

Please note that Mars Capital does not impose charges or surcharge interest on arrears arising on a mortgage account.

## 2 Financial Information

### Understanding your finances

At Mars Capital, our goal is to support you by understanding your financial situation. When you reach out to us, we'll guide you through completing a Standard Financial Statement ("SFS"). This form is essential because it gives us a clear view of your income and expenditure. Your honest and thorough completion of the SFS helps us identify the most suitable options for you. So, please take your time to fill it out accurately - it's a crucial step toward finding the best solution together.

You'll find the SFS form and a useful guide to filling it out on our website, [www.marscapital.ie](http://www.marscapital.ie). If you need assistance, we're here to support you in completing the SFS. However, if you prefer, you can seek independent advice. For further details, please check the useful contacts provided on page 16 of this booklet.

When your completed SFS and supporting documents are received, our Arrears Support Unit will assess it. If we have any questions or need more information, we will contact you.

It's important to fill out the SFS completely and truthfully, and to provide all the requested supporting documents. Failure to do so may result in being classified as 'not cooperating'.



# Assessment

## **Assessment of your financial situation**

At Mars Capital, we recognize that everyone's situation is unique, and we're committed to working closely with you to find the best possible solution.

We will assess your case based on:

- your particular circumstances, specifically the likely changes in your short-, medium- and long-term circumstances.
- your overall level of debt.
- the information provided in your SFS and in the supporting documents.
- your current repayment capacity.
- your repayment history.

Once we've thoroughly reviewed your details, we'll explore alternative repayment arrangements that may be appropriate for your particular circumstances.

During any period of financial difficulty, you should continue to pay as much as you can afford.

# 4 Resolution

## Exploring possible resolution options

At Mars Capital, we've created a suite of alternative repayment arrangements options to help prevent your mortgage from falling into arrears or going further into arrears.

Every situation is unique, and not all options will be suitable for everyone. After carefully assessing your circumstances, we'll identify which option(s) may be viable and sustainable for you. These options, subject to an individual assessment of your case and meeting our eligibility criteria, include:

### Full monthly repayment plus an additional amount

A full monthly repayment plus an additional amount is where our assessment of your Standard Financial Statement indicates that you have the capacity to pay your regular contractual monthly mortgage repayment along with an extra sum, aimed at reducing or clearing your arrears within a mutually agreed timeframe.

### Full-capital moratorium (Interest Only)

A full-capital moratorium is an alternative repayment arrangement where you pay only the interest on your mortgage loan account for an agreed timeframe. At the end of your moratorium your payments will increase. This is because you have not been repaying any of the capital while paying interest only.

## Part-capital moratorium

A part-capital moratorium is an alternative repayment arrangement where you pay the interest on your mortgage loan account, as well as a reduced amount of capital, for an agreed timeframe. At the end of your moratorium your repayments will increase. This is because you have not been paying back the full amount of capital originally agreed and must pay back the difference over the remaining term of your mortgage loan account.

## Full-capital and part-interest moratorium

A full-capital and part-interest moratorium is an alternative repayment arrangement where you pay no capital and less than the monthly interest due on your mortgage loan account for an agreed time. At the end of your moratorium, your repayments will increase so that you can pay back the missed capital and interest payments over the remaining term of the mortgage.





## Full-capital and interest moratorium

A full-capital and interest moratorium is an alternative repayment arrangement where you make no payment towards your mortgage loan account for an agreed period of time. At the end of your moratorium, your repayments will increase so that you can pay back the missed capital and interest payments over the remaining term of the mortgage.

## Term Extension

A term extension is where we extend your mortgage loan account term, this alternative repayment arrangement means we will increase how long your mortgage loan runs for so you can reduce your full monthly mortgage repayment amount to a level that you can afford. Because you are extending the term of your loan over a longer period of time, the total amount of interest that you will pay over the lifetime of your mortgage loan account will increase.

## Arrears capitalisation

An arrears capitalisation is an alternative repayment arrangement that adds your arrears balance to the principal amount due on your mortgage loan account. This means you will repay your arrears over the full remaining term of your loan. Your monthly repayment amount and the total amount of interest that you pay us will increase as a result of capitalisation.

## Changing the type of mortgage loan

Mars Capital may explore the option of changing the type of mortgage loan you hold. This alternative arrangement could be considered if switching to a different type of mortgage product could better fit your needs. For instance, this could involve transitioning from a fixed-rate to a variable-rate product.

## Temporary interest rate reduction

Mars Capital may consider temporarily reducing the interest rate applied to your mortgage account. However, this offer is contingent upon conducting an affordability assessment to confirm that you can manage the revised monthly mortgage payments.

After the temporary period ends and the interest rate returns to its original rate, we'll recalculate your full monthly mortgage repayment amount to ensure that your mortgage is repaid in full by the due date (excluding arrears).

## Important Information

If we do offer you an alternative repayment arrangement, we will write to you explaining the full details of this arrangement and the effect it will have on your mortgage loan account. This is a major financial decision, which will affect you and your household. It is important that you fully understand the implications of any alternative repayment arrangement offered to you.

Before making such a decision you should obtain independent financial and legal advice. Sources of free and independent advice can be found on page 16 of this guide.

Should you decline an alternate repayment arrangement proposed to you, we will correspond with you to advise you of other potential options. This letter will also notify you that legal proceedings may commence either three months after the date of issue of the letter or eight months after arrears first arose on your mortgage loan account, whichever date is later.

## Other options

If we are unable to offer you an alternative repayment arrangement or you decline an alternative repayment arrangement, we will contact you and explore other options that may be available to you. These options are subject to an individual assessment of your case, and you meeting our eligibility criteria. They include:

## Mortgage to Rent

The Mortgage to Rent scheme is a government initiative designed to assist individuals facing significant challenges with their mortgage and who may struggle to fully repay it in the future. To take part in this scheme, you will need to satisfy a number of criteria. If this becomes a possibility for you, it means you must voluntarily surrender ownership of the property to Mars Capital. We will immediately sell it to an approved housing association (AHA) who will then rent it to you. You will however continue living in the property as a tenant of the AHA. As a tenant you will pay an affordable rent to the AHA.

This means that while you no longer own the property, you will still have to repay any 'shortfall debt' you owe after the property is sold to the AHA. Shortfall debt occurs where the sale of the property does not raise enough to cover all of your mortgage related debt.

## Voluntary sale

A Voluntary sale is where you commit to selling the property yourself, and the funds received from the sale are used to settle your arrears and to reduce or pay off your remaining mortgage balance. You are still liable for the shortfall debt (unless otherwise advised in writing by Mars Capital).



## **Voluntary surrender**

A voluntary surrender is where you move out of the property, and Mars Capital assumes ownership. You'll then enter into a legal agreement with us. If the sale of the property doesn't raise enough to cover your entire debt, you're still responsible for repaying the shortfall debt (unless Mars Capital advises otherwise in writing).

## **Confidentiality agreement**

Mars Capital might request you to sign a confidentiality agreement with us if you opt for an alternative repayment arrangement or any other option we provide. This agreement entails that you agree not to disclose the arrangement or specific details of it without prior agreement from Mars Capital.

## Your Right to an Appeal

You have the right to appeal our decision in relation to any of the following:

- where we have offered you an alternative repayment arrangement and you are not willing to enter into this arrangement; or
- where we have declined to offer you an alternative repayment arrangement; or
- where we have classified you as not co-operating.

If you wish to appeal, you need to send a written appeal to the Appeals Board within 25 business days from the date you received the decision letter. The Appeals Board will be made up of three senior members from Mars Capital who haven't been involved in your case before.

Upon receiving your appeal, the Appeals Board will send you a written acknowledgment within 5 business days. They will also provide you with regular written updates on the progress of your appeal, with updates not exceeding 20 business days apart.

The Appeals Board will review and make a decision on your appeal within 40 business days of receiving it. They will then notify you in writing of their decision within 5 business days.

If you're unhappy with the decision made by the Appeals Board, you have the option to escalate the matter to the Financial Services and Pensions Ombudsman. Please see page 16 for contact details for the Financial Services and Pensions Ombudsman.

You must send all appeal-related correspondence to:  
Mars Capital, PO Box 12546, Dublin 2.



## Your Right to raise a complaint

If you're dissatisfied with how we handled your case under CCMA or believe we didn't follow CCMA guidelines, you have the right to file a complaint. Complaints will be addressed according to our Complaints Handling Policy.

You can complain to us by writing to: Complaints Department, Mars Capital, PO Box 12546, Dublin 2.

Or by phoning us on LoCall 1800 816 121 or +353 1 526 8580, if calling from abroad.

When you lodge a complaint, we'll send you a written acknowledgment within 5 business days, along with the name of a contact person for your complaint.

You'll receive regular written updates on the investigation progress, at intervals not exceeding 20 business days from when the complaint was lodged.

We aim to resolve your complaint within 40 business days. If this isn't possible, we'll inform you of the expected timeframe for resolution.

Once our investigation concludes, we'll notify you of the outcome in writing within 5 business days.

If you're unhappy with our response to your complaint, you have the option to escalate the matter to the Financial Services and Pensions Ombudsman. Please see page 16 for contact details for the Financial Services and Pensions Ombudsman.

# Important information

## Alternative Repayment Arrangements

The alternative repayment arrangements outlined in Step 4 have consequences, which may include an increase in the cost of interest to you over the life of your mortgage loan account. We will highlight these consequences to you as part of the alternative repayment arrangement offer process.

## Tracker Mortgages

If you have a tracker mortgage loan account, you will not be required to change to another mortgage loan account type to avail of an alternative repayment arrangement, except in the circumstances set out in the Code of Conduct on Mortgage Arrears .

## Your financial situation

Whatever arrangement we make with you about your mortgage, we will continue to monitor your mortgage loan account. If, for any reason your circumstances change, and you cannot comply with the terms of your alternative repayment arrangement, it is important that you contact our ASU immediately by phoning:

**LoCall 1800 816 121 or if calling from abroad on +353 1 526 8580**

## Legal action

Where you are deemed not co-operating, we are entitled to start legal action to recover the mortgaged property and the debt you owe. Please see page 5 for a definition of 'not co-operating'. Please note that we will only commence legal proceedings to repossess and sell your home as a last resort. If the proceeds we receive from the sale of your home do not cover all amounts owed, you will be liable for the outstanding amounts.

## Costs

If we need to take legal action to repossess your home, the approximate cost could be around €10,000. Please note, this is just an estimate, and in some cases, the costs could be significantly higher.

Additionally, you may be responsible for:

- Counsel's fees
- Agents' fees
- Phone costs
- Postage costs

If there are challenges or delays in court proceedings, you may incur further expenses. You will also be responsible for any legal costs associated with hiring your own legal advisors.



## Home insurance and life assurance

It is important to make sure you have your Home Insurance and Life Assurance (if required under your mortgage loan contract) in place to cover your outstanding loan commitments at all times.

## Payment protection insurance

If you purchased payment protection insurance in relation to your mortgage loan account, which is now in arrears, you may be entitled to make a claim on that policy.

## Outstanding debt

Where Mars Capital initiates legal proceedings, repossesses the property and disposes of it, you will remain liable for the outstanding debt, including any interest, charges, legal, selling and other related costs where applicable (unless otherwise confirmed in writing).

## Are you maximising your income?

Take control of your finances by creating a budget and keeping track of what you earn and spend. This helps you understand where you can save money.

Make sure you're receiving all the social welfare and tax benefits you're entitled to. Your local Citizens Information Centre can provide help ([www.citizensinformation.ie](http://www.citizensinformation.ie))

Explore other ways to increase your income, like renting out a room with our approval.

Also, check if you're eligible for any additional benefits you might not be aware of, such as tax relief on your mortgage or other entitlements. For tax relief inquiries, you can contact Revenue at [www.revenue.ie](http://www.revenue.ie).

While the 'mortgage interest supplement' program closed to new applicants in 2014, you can still explore other options by contacting your local Community Welfare Office.

For further assistance with social welfare, contact the Department of Employment Affairs and Social Protection at [www.welfare.ie](http://www.welfare.ie).

## Central Credit Register

Please be aware that we are required by The Credit Reporting Act 2013 to share your personal and credit details with the Central Credit Register. This information includes whether you have fallen behind on repayments and will state the number of payments that are 'past due', whether a change in loan terms has been agreed - this is called a 'restructure event' - and / or where a loan has been settled for less than the full amount owing.

Please be aware that while the Central Credit Register doesn't assign a credit score, having arrears or arranging alternative repayment plans may affect your ability to obtain credit elsewhere. Lenders may consult this information when evaluating your creditworthiness, and it will be kept on the register for five years after your loan is repaid.

# Useful Contacts

## MABS

MABS is a free, national, confidential and independent service for people in financial difficulty or in danger of falling into financial difficulty.

[www.mabs.ie/](http://www.mabs.ie/)  
[www.keepingyourhome.ie/](http://www.keepingyourhome.ie/)

## Citizens Information Board

The Citizens Information Board provides access to accurate, comprehensive, and clear information relating to social services like health, employment and social welfare.

[www.citizensinformation.ie](http://www.citizensinformation.ie)

## Insolvency Service of Ireland

The Insolvency Service of Ireland is a statutory body established under the Personal Insolvency Act 2012. Its objective is to provide information to borrowers who are unable to repay their outstanding debts.

[www.isi.gov.ie](http://www.isi.gov.ie)

## Department of Social Protection

This department provides information on Jobseeker's Allowance, Jobseeker's Benefit, Mortgage Interest Supplement and other welfare benefits.

[www.gov.ie/welfareandwork](http://www.gov.ie/welfareandwork)

## Central Bank of Ireland

The Central Bank of Ireland's website provides independent information on financial products and includes the Code of Conduct on Mortgage Arrears.

[www.centralbank.ie](http://www.centralbank.ie)

## Competition and Consumer Protection Commission

The Competition and Consumer Protection Commission is an independent statutory body established on 31 October 2014 after the National Consumer Agency and the Competition Authority were amalgamated. It aims to promote competition and enhance consumer welfare.

[www.ccpic.ie](http://www.ccpic.ie)





## **Revenue Commissioners**

This website will provide you with information on all tax credits and benefits you may be entitled to, including Mortgage Interest Relief.

[www.revenue.ie](http://www.revenue.ie)

## **Financial Services and Pensions Ombudsman**

The Financial Services and Pensions Ombudsman (FSPO) deals with unresolved complaints from personal consumers and smaller enterprises about their dealings with regulated financial service providers. It is a free service. For information about your right to refer the matter, please contact: Financial Services and Pensions Ombudsman Lincoln House, Lincoln Place, Dublin 2, D02 VH29.

[www.fspo.ie](http://www.fspo.ie)

# Glossary

## Arrears

Arise on a mortgage loan account where a borrower has not made a full mortgage repayment, or only makes a partial mortgage repayment, in accordance with the original mortgage contract, by the scheduled due date.

## Arrears Support Unit

This team is here to support borrowers who are facing financial challenges or who believe they may experience financial difficulty.

## Code of Conduct on Mortgage Arrears

This Code of Conduct of Mortgage Arrears is issued under Section 117 of the Central Bank Act 1989 and was effective from 1 July 2013. This Code applies to the mortgage lending activities of all regulated entities, except credit unions, operating in the State. This Code applies to the mortgage loan of a borrower which is secured by his/her primary residence.

## MARP

Means the Mortgage Arrears Resolution Process as described in Provision 16 of this Code of Conduct of Mortgage Arrears.

## Pre-Arrears

A pre arrears case arises where either:

- You contact Mars Capital to inform us that you are in danger of going into financial difficulties and/or are concerned about going into mortgage arrears; or
- Mars Capital establishes that you are in danger of going into financial difficulties which we believe may impact on your ability to meet your mortgage repayments.

## Primary Residence

This is a residential property you occupy as your primary residence in this State, or a residential property which is the only residential property in this State that you own.

## Repossession

Means any situation where we take possession of a property including, without limitation, by way of voluntary agreement with the borrower, through abandonment of the property by the borrower without notifying the lender, or by Court Order.

## **Standard Financial Statement**

The Standard Financial Statement is the document which a lender must use to obtain financial information from a borrower in order to complete an assessment of that borrower's case,



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

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

**(Endowment Mortgage) 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. EARLY SURRENDER OF THE INSURANCE POLICY IN RESPECT OF AN ENDOWMENT LOAN MAY RESULT IN A RETURN TO YOU WHICH WOULD BE LESS THAN YOU HAVE PAID IN PREMIA AND OTHER CHARGES.

**WARNING:** If you do not keep up your repayments you may lose your home.

**(Fixed rate loans) WARNING:** You may have to pay charges if you pay off a fixed rate loan early.

**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.

**(Variable Rate Mortgage) WARNING:** The cost of your monthly repayments may increase.

**(Interest Only Mortgage) WARNING:** The entire amount that you have borrowed will still be outstanding at the end of the interest only period.

**(Guarantor) WARNING:** As a guarantor of this credit, you will have to pay off the debt amount, the interest and all associated charges up to the level of your guarantee if the borrower(s) do(es) not. Before you sign this guarantee, you should get independent legal advice.

**(Tracker interest rate) WARNING:** If you switch to an alternative interest rate, you will not be contractually entitled to go back onto a tracker interest rate in the future.

**(Debt consolidation mortgages) 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.



Call us today on:  
Mars Capital LoCall **1800 816 121** or if calling from abroad on **+353 1 526 8580**



Mars Capital Finance Ireland DAC  
PO Box 12546  
Dublin 2  
Ireland

**Phone:**

Please call LoCall 1800 816 121  
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Website: [www.marscapital.ie](http://www.marscapital.ie)