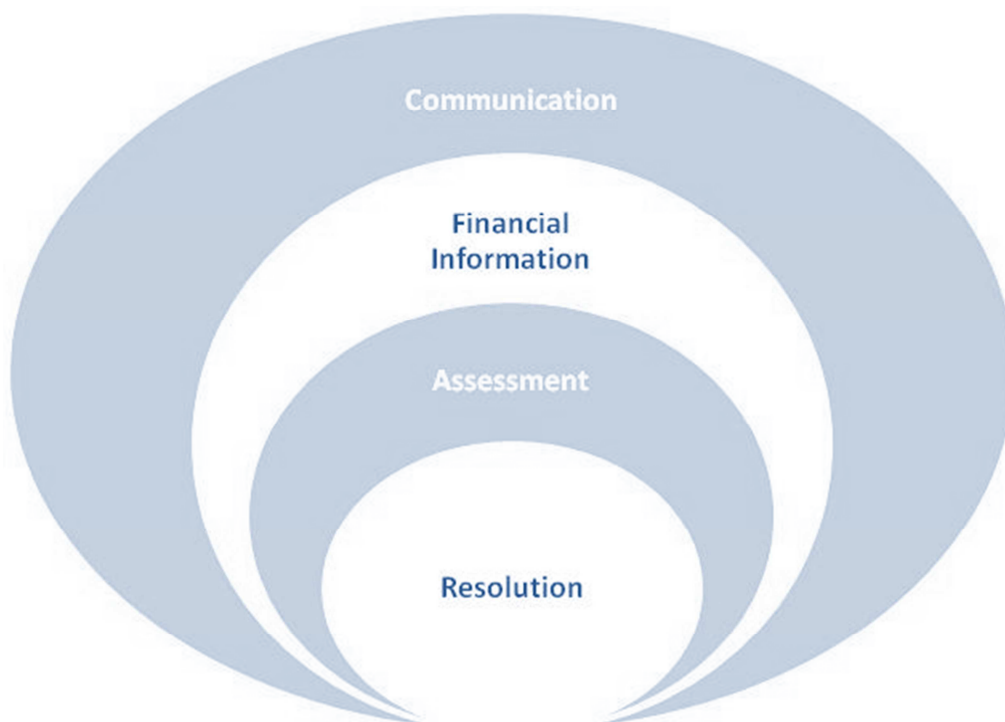


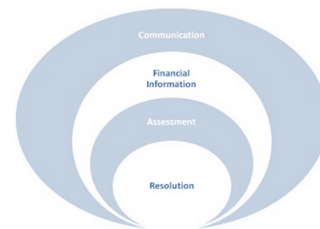


Mortgage Arrears Resolution Process (MARP) Booklet

Important information for customers experiencing financial difficulties



The Mortgage Arrears Resolution Process (MARP)



We at Investec recognise that customer's financial circumstances can on occasion take a change for the worse.

If you have fallen into arrears on your mortgage payments, or if you are concerned about falling into arrears in the future, we encourage you to contact us and maintain communications with our **Arrears Support Unit on (01) 421 0000**.

We are fully committed to working with you to try to find the most appropriate solution to any financial difficulties you may be experiencing with repaying your mortgage.

As required under the Central Bank's Code of Conduct on Mortgage Arrears (CCMA), we have put in place a Mortgage Arrears Resolution Process (MARP) to help our borrowers who are in arrears or are at risk of going into arrears.

This booklet will guide you through the steps we will follow in trying to assist you during this difficult time.

The Mortgage Arrears Resolution Process involves the following 4 steps:

➤ **Step 1: Communication**



➤ **Step 2: Financial Information**

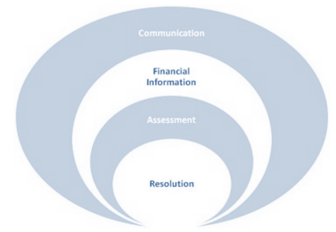


➤ **Step 3: Assessment**



➤ **Step 4: Resolution**





Step 1: Communication

Financial difficulties can affect anyone at any time. If your financial situation has changed recently or you are concerned about your finances and meeting the next or future mortgage repayment, we encourage you to contact us as soon as possible.

The earlier we are given the opportunity by you to understand the financial difficulties you are experiencing, the sooner we can work together to find a solution, where possible.

We have a dedicated professional team ready to talk to you and take you through the MARP process. Please contact our **Arrears Support Unit on (01) 421 0000**.

Investec can only work with you to help find a solution to your mortgage arrears if you keep in meaningful contact with us. Therefore, we would ask that you keep the lines of communication open by ensuring we always have up-to-date contact details for you, promptly returning our phone calls and responding to our correspondence and requests in a timely manner.

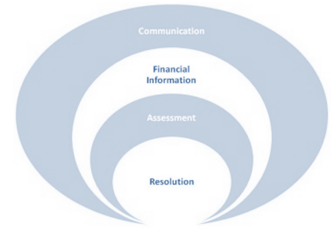
Our Investec Communications Policy dictates that all communication between Investec and borrowers are proportionate and not excessive, taking into account the status of your mortgage. We commit to communicating promptly and clearly with you to establish reasons for your financial difficulty and to do so in an open and transparent manner.

While we appreciate that such conversations can at times be difficult, we believe that it is of paramount importance that we communicate in an honest and real manner while working together to explore the possible options available.

Failure to communicate and engage properly with us can have implications for the protections afforded to you by the MARP process. If you do not keep in contact with us or do not respond to any of our communications, we may classify you as 'Not Co-operating' and you will lose these protections.

A full explanation of the meaning of 'Not Co-operating' and the implications of being classified as such can be found in Appendix 1 on Page 9 of this booklet. This is very important to read and understand.

Please Note: In addition to the on-going communications mentioned above, while your account is in arrears, you will receive letters from us from time to time outlining important information on your mortgage account. These letters are a requirement of the Code of Conduct on Mortgage Arrears.



Step 2: Financial Information

We need to fully understand your current circumstances and key to this is the completion of a Standard Financial Statement (SFS). This is an industry wide document issued by the Central Bank. A copy of this SFS is available on the Central Bank of Ireland's website www.centralbank.ie, along with a link to the Central Bank of Ireland's 'A Consumer Guide to Completing a Standard Financial Statement'.

We will be happy to assist you in completing the SFS over the phone or, if you prefer, you are very welcome to meet with us in our offices to help you with this, or we can send it to you in the post for you to complete at home.

You may wish to seek independent advice to assist with completing your SFS, e.g. from the Money Advice and Budgeting Service (MABS) or an appropriate alternative.

The contact details for MABS can be found in Appendix 2 on Page 11 of this booklet.

It is important that you complete the SFS form fully and accurately, in a timely manner, as we will use this to understand your financial circumstances. You may be asked to provide supporting documentation (such as payslips, utility bills and bank statements) in relation to the information supplied on your SFS.

Failure to make a full & honest disclosure and/or failure to return any information requests within the timeframe specified by us can have implications for the protections afforded to you by the MARP process. If you do not comply with these requirements we may classify you as 'Not Co-operating' and you will lose these protections.

A full explanation of the meaning of 'Not Co-operating' and the implications of being classified as such can be found in Appendix 1 on Page 9 of this booklet. This is very important to read and understand.

Again, if you have any questions or need assistance in any way, you can contact our **Arrears Support Unit** on **(01) 421 0000**.

Step 3: Assessment

We will use the information you provide to us in your SFS to assess your financial situation. Consideration will be given to the following criteria:

- Your personal circumstances
- Your current income and expenditure and your ability to make repayments
- The past payment history on the mortgage
- Any other borrowings and efforts made to reschedule these; and
- Your willingness to engage with us in an open and honest way and to provide the necessary paperwork to allow us to understand your situation.

When we are satisfied that this is a true reflection of your financial situation we will proceed to review the resolution options available to you.



Step 4: Resolution

Following our assessment of your financial situation we will hopefully be in a position to offer you one or more alternative repayment options. These may be short, medium or long term depending on your particular circumstances. You should note that some of the short, medium or long term options may increase the total cost of credit over the term of your mortgage.

The options that Investec have available for borrowers in financial difficulty are as follows:

Short Term Options

These types of options are short term in nature, for situations when the financial difficulties are temporary, and are designed to prevent you from going into arrears, or allowing you to resolve your financial situation, with a view to resuming full contractual payments at the end of this period.

- **Interest Only** – You pay only the interest on your mortgage for a period. This reduces your repayments as you do not pay anything towards the capital part of your mortgage during this period.
- **Reduced Repayment** – You pay an amount less than your contractual monthly repayment amount for an agreed period. However, while your monthly payment will be smaller, it will not be enough to meet the full contractual amount due on your mortgage every month. As a result the arrears amount on your mortgage account will increase during the period of the arrangement.
- **Full Deferral** – You do not make any mortgage repayments for an agreed period. However, as you will not be paying the contractual amount due on your mortgage every month, the arrears amount on your mortgage account will increase during the period of the arrangement.

Medium Term Options

These types of options are medium term in nature and are designed to afford more time to you to resolve your arrears situation where you are consistently making repayments above a certain level which is acceptable to Investec, but you cannot yet meet the full contractual monthly repayment amount.

- **Rate Restructures** – These arrangements mean your monthly repayment amount is based on what you can currently afford to pay. This amount has to be of a repayment level that is also acceptable to Investec. You maintain an agreed repayment amount every month, and Investec will adjust the interest rate chargeable on your mortgage so as to ensure that the amount you are paying on a monthly basis is enough to meet the new agreed mortgage repayment.

Depending on your repayment capability, this arrangement can lead to you paying only the interest portion of your mortgage while the capital amount will remain unpaid, or alternatively the arrangement will be structured in such a way so as to ensure you are paying all of the interest and some of the capital.

If you do not keep to your agreed monthly repayment during the term of any of the above short or medium term options offered, the option will be terminated and your case will be reassessed. While we would hope that at the end of a successful short or medium term option you will emerge better positioned to meet your mortgage commitments, your case will have to be reassessed and a further repayment option cannot be guaranteed.

Long Term Options

These types of options are longer term in nature and are designed to make your mortgage more affordable. Repayment of the original or an agreed revised principal amount will be made over the full remaining life of the mortgage.

- **Term Extension** – The term of your mortgage is extended where possible. This reduces the amount of your repayments by spreading your mortgage repayments over a longer period of time.
- **Term/Rate Restructure** [^] – The term of your mortgage is extended where possible and the interest rate is reduced, for a period, thereby reducing the amount of your repayments through a combination of reducing your interest rate and spreading your mortgage repayments over a longer period of time.
- **Capitalisation of Arrears** – The arrears on your mortgage are added to your balance and capitalised thereby spreading the arrears over the remaining term of the mortgage. Capitalisations are considered on a case by case basis and you have to both show and prove affordability for a 6 month period in order to qualify.
- **Split Mortgage** [^] – This option involves splitting your mortgage into two portions. A percentage of your mortgage balance is parked, leaving an affordable balance. Interest and Capital repayments are made on the affordable balance and no payments are made against the parked balance for a period of time which is currently 5 years. There is no interest charged on the parked balance during this time. The option is reviewed at regular intervals and if your affordability levels increase a portion of the parked balance will be transferred back to the affordable balance.

Other Available Options

If all options have been exhausted and/or it is considered that continuing within the MARP is no longer in your best interests, Investec will work with you to establish the most appropriate resolution.

We always regard repossession* as a last resort where customers are working with us to prioritise their mortgage repayments. With that in mind, where your mortgage is deemed to be ultimately unmanageable, you should immediately consider the following options. These fall into two categories – those requiring governmental input and those that do not.

The option requiring governmental input is:-

- **Mortgage to Rent (MTR)** [^] – You voluntarily surrender your home to Investec who then sell the property to an Approved Housing Association (AHA) at the current market value. You will remain in your home but as a social housing tenant of the AHA. There are certain qualifying criteria as set down by the AHA (e.g. income, property values, location and property occupancy levels) that will determine your eligibility for this scheme.

Options not requiring governmental input are:-

- **Assisted Voluntary Sale** [^] – You sell the property yourself with our permission and assistance.
- **Voluntary Surrender** [^] – You return the property to us and we rent or sell the property.

** Repossession: If your mortgage is deemed to be ultimately unmanageable where we cannot offer you an alternative repayment arrangement, we are free (as per the CCMA) to commence legal proceedings for repossession of your property 3 months from the date of the letter informing you of our decision.*

[^] Investec may make a contribution towards the costs of you obtaining independent legal/financial advice in relation to these specific options

Important Points to Note

➤ **Case Assessment**

You should note that the availability of all our options regarding alternative repayment arrangements is subject to individual case assessment and the meeting of our qualifying criteria.

➤ **Cost of Credit**

You should note that some of the Short /Medium/ Long Term options may increase the total cost of credit over the term of your mortgage.

➤ **Independent Advice**

You need to fully understand the implications of any new loan arrangement before you formally accept it. Investec strongly recommends that you obtain independent legal, tax and financial advice before agreeing to any resolution arrangement, in particular if you have any questions as to the legal, tax or financial implications of the arrangement.

➤ **Confidentiality Agreements**

We may require you to sign a settlement/confidentiality agreement as part of an alternative repayment arrangement or restructuring arrangement. We recommend that you take independent legal advice prior to entering into a settlement/confidentiality agreement.

➤ **Review Process**

Once you remain within the MARP process, we will regularly monitor any alternative arrangement put in place. In addition we will carry out an annual review to establish if there has been any change in your financial circumstances since the arrangement first began. However, a review will take place immediately if you do not keep to the terms of your arrangement.

➤ **Outstanding Debt**

If, after completion of one of the above options, a balance remains on your mortgage account you will remain liable for the outstanding debt, including any accrued interest, charges, legal, selling and other related costs.

➤ **What happens to your credit rating if your account is in arrears?**

Investec may report any arrears on your mortgage or arrangements you have entered into to the Irish Credit Bureau (ICB) or any other credit reference agency or credit register, where permitted by contract or required by law. Your mortgage repayment history may affect your credit rating which may make borrowing in the future more difficult.

➤ **Mortgage Protection (Life Assurance)**

We would recommend that you contact your Independent Financial Adviser/Intermediary to ensure that the life policy you may have in place to cover your Mortgage loan is now sufficient to cover your existing loan balance, due to any arrears you may now owe.

Appeals

You have the right to submit an appeal to our MARP Appeals Board in relation to a decision made by our Arrears Support Unit, including the following:

- a) We offered you the option of an alternative repayment arrangement which you subsequently declined;
- b) We did not offer you an alternative repayment arrangement; or
- c) We classified you as 'Not Co-operating'.

Your appeal must be submitted within 30 business days of the date of our letter notifying you of any of the above decisions. All appeals must be put in writing by you and addressed to the Investec MARP Appeals Board at the address below;

MARP Appeals Board
Investec Bank plc (Irish Branch)
The Harcourt Building
Harcourt Street
Dublin 2

We will acknowledge your appeal within 5 business days of receipt. We aim to complete our investigation and provide a response within 20 business days after we receive your Appeal Request.

However, if we are unable to respond within the 20 business days, we will write to you to let you know when you can expect to receive our response. Should our investigation extend beyond the period of 20 business days we are required to reach a decision within 40 business days.

We will write to you within 5 business days of the date of our decision.

Should you remain dissatisfied with the outcome of your appeal, it is your right to refer your appeal to the Financial Services Ombudsman Bureau whose contact details can be found in [Appendix 2 on Page 10](#) of this booklet.

Appendices

- 1) Explanation & Implications of 'Not Co-operating'
- 2) Helpful Contacts List and Additional Information
- 3) Complaints Process
- 4) Glossary
- 5) Regulatory Warnings & Information

Appendix 1

Explanation & Implications of 'Not Co-operating'

WARNING: It is very important that you co-operate with us in relation to your mortgage difficulties. Whilst you are co-operating the CCMA offers you protection, however if you do not co-operate with us under the CCMA then the implications could include the following:

- (i) Imposition of charges and/or surcharge interest on arrears arising on a mortgage account;
- (ii) Loss of the protection afforded to you by the Mortgage Arrears Resolution Process (MARP);
- (ii) Legal proceedings may commence for repossession of your property immediately after classifying you as not co-operating;
- (iii) It could impact your eligibility for a Personal Insolvency Arrangement in accordance with the eligibility criteria set out in the Personal Insolvency Act 2012.

WARNING: With regard to the potential for legal proceedings for repossession of your property, irrespective of how the property is repossessed and disposed of, you will remain liable for the outstanding debt, including any accrued interest, charges, legal fees, selling and other related costs.

Under the CCMA you can only be considered as not co-operating when:

1. any of the following apply to your case:

- a) you fail to make a full and honest disclosure of information to us, that would have a significant impact on your financial situation;
- b) you fail to provide information, relevant to your financial situation, within specified timelines. (*Our timeline for returning appropriate supporting information, including a completed Standard Financial Statement is 20 days*);

or

c) a three month period elapses:

- i. (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) meet your mortgage repayments in full in accordance with the mortgage contract but have an arrears balance remaining on the mortgage;

or

(B) where you have entered into an alternative repayment arrangement, and during which you have failed to meet in full repayments as specified in the terms of an alternative repayment arrangement;

And

ii. during which you:

(A) have failed to make contact with, or respond to any communications from us or a third party acting on our behalf;

or

(B) have made contact with, 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;

and

2. a warning letter has been issued to you and you have not carried out the action(s) specified in that letter.

Appendix 2

Helpful Contact List and Additional Information

- **Central Bank of Ireland**
Their public contacts helpline is open Monday to Friday from 9am-6pm.
Telephone: **1890 777 777**
www.centralbank.ie/publicinformation
- **Citizens Information Board**
The Citizens Information Board gives information, advice and advocacy on a broad range of public and social services including health, unemployment, social welfare and money.
Telephone: **076 107 4000**
www.citizensinformation.ie
- **Financial Services Ombudsman**
The Financial Services Ombudsman is a statutory officer who deals independently with unresolved complaints from consumers about their individual dealings with all financial service providers.
Lo Call: **1890 882 090**
www.financialombudsman.ie
- **Insolvency Service of Ireland (ISI)**
The following is a link to the ISI which will provide information on the processes under the Personal Insolvency Act 2012.
Telephone: **076 106 4200**
www.isi.gov.ie
- **Competition and Consumer Protection Commission Website**
To know exactly where you stand financially, it's important to have a clear understanding of the words we use. Formerly the 'National Consumer Agency', the website has a 'jargon buster' section which you may find helpful.
Lo Call: **1890 432 432**
www.consumerhelp.ie
- **Mortgage Arrears Information**
We suggest you visit the joint website for the Citizens Information Board and MABS, which provides comprehensive information on the services and entitlements available to you, if you are having difficulty paying your mortgage.
Telephone: **076 107 4050**
www.keepingyourhome.ie
- **Free Legal Advice Centres**
FLAC runs a telephone information and referral line offering basic legal information to the public.
Telephone: **1890 350 250**
www.flac.ie
- **Money Advice and Budgeting Service (MABS)**
MABS is a nationwide Government agency that offers a free and confidential service covering all areas of personal finance. Their team of professional Money Advisers can help draw up a budget, renegotiate repayments with other lenders and advise you on any benefits that you may be entitled to.
Telephone Helpline: **0761 07 2000** (Mon to Fri 9am-8pm)
www.mabs.ie

- **Payment Protection Insurance**

If you purchased payment protection insurance in relation to your mortgage, contact your relevant insurance company to enquire if you can make a claim on that policy in respect of the arrears.

- **Revenue Commissioners**

The Revenue Commissioners website contains information on all tax credits and benefits that you may be entitled to. It also has full details of the various contact numbers for all local centres.

www.revenue.ie

- **Investec Arrears Support Unit (ASU)**

If you are concerned you will have difficulty in meeting your next mortgage repayment, or if you already find yourself in arrears, we are here to help.

Call our Arrears Support Unit today on **(01) 421 0000**

Appendix 3

Complaints Process

HOW WE DEAL WITH YOUR COMPLAINTS

Should you be unhappy with our treatment of you under the CCMA, or you are unhappy with any aspect of our compliance with the requirements of the CCMA, you may inform us by phone or in writing of your wish to register a complaint.

The following is an outline of how we will deal with your complaint:

- All complaints are acknowledged within 5 business days.
- We aim to complete our investigations and provide a response to your complaint within 20 business days. However, should we be unable to respond within this timeframe, we will write to you with regular updates at least every 20 business days, explaining the reasons for the delay.
- In the unlikely event that 40 business days have elapsed since receipt of your complaint and the investigation is still ongoing, you will be advised of the anticipated timeframe within which we hope to have your complaint resolved. Also, if we have not responded to your complaint at this point, you are entitled to refer the matter to the Financial Services Ombudsman. The contact details can be found in [Appendix 2 on Page 10](#) of this booklet.
- Following our investigations we will issue our Final Response letter outlining our findings.
- Should you remain dissatisfied, it is your right to refer your complaint to the Financial Services Ombudsman Bureau. Contact details can be found in [Appendix 2 on Page 10](#) of this booklet.

Appendix 4

Glossary

Arrears

This is 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 (ASU)

This is our dedicated support unit that manages the Mortgage Arrears Resolution Process and is our contact point for borrowers in or facing mortgage arrears.

Business Day

This means any day except Saturdays, Sundays, bank holidays and public holidays.

Code of Conduct on Mortgage Arrears (CCMA)

This is a binding code published by the Central Bank of Ireland which sets out how lenders must deal with borrowers in or facing mortgage arrears.

A copy of the most recently published version of this code can be downloaded from the following;

<http://www.centralbank.ie/publicinformation/Documents>

Insolvency Service of Ireland (ISI)

The ISI is an independent statutory body, whose aim is to help restore people who are insolvent to solvency in a fair, transparent and equitable way. The ISI will provide information on the processes under the Personal Insolvency Act 2012.

Irish Credit Bureau (ICB)

This is the body that financial institutions may refer to when undergoing a credit history check for individual borrowers. The ICB provides records on all borrowings, now or in the past, in respect of loans; mortgages; credit facilities etc. Please note that the existence of an adverse payment profile on your account could impair your access to future credit from other institutions.

Money Advice and Budgeting Service (MABS)

MABS is a Government agency that provides free, confidential and independent advice on your debt & other financial problems.

Mortgage

A mortgage describes a loan provided to a borrower by a lender, for which a legal claim against property acts as security for the loan. The lender becomes the holder of a legal charge on the property being provided as security. When the loan is repaid the mortgage is discharged and the lender has no interest in the property.

Mortgage Interest Supplement

Mortgage Interest Supplement provides short term support to help you pay your mortgage interest repayments. You should contact your local Social Welfare officer who will advise if you qualify and what documentation is required. If they require any documentation from us to apply for this or any other benefit, we will provide this information to you within 10 working days of the receipt of your request.

Mortgage Arrears Resolution Process (MARP)

This is the process and framework that all lenders must follow when dealing with borrowers in or facing mortgage arrears. The requirements of this process are contained within the Code of Conduct on Mortgage Arrears.

Repossession

Repossession refers to any situation where the lender takes possession of the 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 (SFS)

This is a form, which was developed by the Central Bank of Ireland, for lenders to use when collecting financial information from borrowers under the Mortgage Arrears Resolution Process (MARP) framework set out in the Code of Conduct on Mortgage Arrears (CCMA).

This is used to collect financial information, so that a borrower's circumstances can be assessed to arrive at a solution to their financial difficulties. This form is available on the Central Bank of Ireland's website www.centralbank.ie.

Personal Insolvency Act 2012

This is an Act which sets out options to address the circumstances of insolvent debtors.

Personal Insolvency Arrangement

This means (a) an arrangement entered into by a debtor, or (b) an arrangement for which a proposal is made under Chapter 4 of Part 3 of the Personal Insolvency Act 2012.

Variable Rate

Variable rates go up and down. This means that the amount the borrower pays goes up and down with the rate changes.

Appendix 5

Regulatory Warnings & Information

CONSUMER PROTECTION CODE 2012

RESIDENTIAL MORTGAGE

WARNING: IF YOU DO NOT KEEP UP YOUR REPAYMENTS YOU MAY LOSE YOUR HOME.

VARIABLE RATE LOANS

WARNING: THE COST OF YOUR MONTHLY REPAYMENTS MAY INCREASE.

INTEREST ONLY LOANS

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

CONSUMER CREDIT ACT 1995

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.



Investec Bank plc (Irish Branch)

The Harcourt Building, Harcourt Street, Dublin 2

01 421 0000

www.investec.ie

Investec Bank plc (Irish Branch) is authorised by the Prudential Regulation Authority in the United Kingdom and is regulated by the Central Bank of Ireland for conduct of business rules.

Call our Arrears Support Unit on (01) 4210000