Banking & Payments Federation Ireland

BPFI-MABS Framework Agreement for Mortgage Arrears

www.bpfi.ie

This framework agreement between Banking & Payments Federation Ireland (BPFI) and the Money Advice & Budgeting Service (MABS) applies to pre arrears, early arrears, late-stage arrears, and out of MARP cases entering or in a legal process for repossession for owner occupier borrowers.

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1. Introduction

The Money Advice and Budgeting Service (MABS) is the State's support service for people who are in debt or at risk of getting into debt. MABS is also the 'Gateway to Debt Advice' for borrowers in mortgage arrears under the Government's Abhaile scheme[1], whereby eligible borrowers can access the support of a Personal Insolvency Practitioner (PIP), a solicitor or an accountant, depending on their mortgage arrears difficulty and their needs.

Under the Abhaile Scheme, MABS also offers the services of Dedicated Mortgage Arrears Advisers (DMA) who are available nationally. Referrals to the DMA MABS may be from the general public, from lenders, from MABS, from other key referrers and directly via the MABS Court Mentor Scheme, whereby borrowers attending court engage with MABS staff.

BPFI represents Ireland's principal mortgage lenders and credit servicing firms. These are committed to working with borrowers who face genuine difficulty in maintaining mortgage repayments because of changed financial circumstances.

Building on the positive relationship between MABS and BPFI members developed over many years, BPFI members are committed to working with MABS Money Advisers (MAs) and Dedicated Mortgage Arrears Advisers (DMAs) to help resolve mortgage debt problems in an effective and realistic manner. Both MABS and BPFI members remain fully committed to engaging and working with people who are in financial distress and, wherever possible, to keep them in their homes.

This framework sits in the broader context of the management of mortgage arrears cases in the Arrears Support Unit of each lender, including ongoing attempts to resolve borrowers' financial difficulties via temporary and permanent solutions and through Personal Insolvency Arrangements and bankruptcy.

[1] For more information about Abhaile see www.mabs.ie

2. Scope of Framework Agreement

This agreement applies to borrowers in pre-arrears and early arrears. It also applies to late stage mortgage arrears that have been classified as "out of MARP" from the lenders' Mortgage Arrears Resolution Process in line with the Consumer Protection Code (CPC) 2025.[1]

While the late-stage mortgage arrears cases to which this agreement applies are already treated as priority cases by mortgage lenders, the involvement of MABS provides further dedicated independent mortgage arrears advice to such borrowers.

MABS and the BPFI recognise the value of an agreed framework between the parties that outlines how borrowers in mortgage arrears cases who have exhausted the MARP process (including appeals) and are entering or have entered the legal process, will be assisted in engaging with their lender. It also recognises the value of an agreed framework relating to pre-arrears and early arrears.

With this in mind, BPFI members and MABS agree to this framework.

For the purpose of this Framework Agreement, a "*lender*" is taken to mean a credit institution and/or a credit servicing firm which is currently a BPFI member.

[1] The rules set out in the Code of Conduct on Mortgage Arrears, or "CCMA", were incorporated into CPC 2025 on 24 March 2026. In any communications a customer may have with their provider in relation to any arrears on their mortgage after 24 March 2026, the CCMA may be referred to as "*Consumer Protection Code 2025*", "*CPC 2025*" or "*conduct requirements – mortgage arrears*". Any reference by the provider to "CCMA" will be phased out gradually after 24 March 2026. This change does not affect customers rights or the support available to them. If a customer is behind, or at risk of falling behind, on the repayments on their mortgage, the same protections that they had under the CCMA remain in place under CPC 2025.

3. General Principles

The CPC requires regulated entities, except credit unions, to adhere to certain processes, timelines, and communications regarding borrowers in financial difficulties and borrowers who enter the legal process.

The importance of full disclosure by all parties of all relevant information for cases in scope is recognised by participating lenders and MABS.

Individual mortgage lenders and MABS will work together to ensure shared understanding of lender approach to the treatment of borrowers in pre-arrears, early arrears and late-stage mortgage arrears.

This will include the best way to contact the relevant people within lenders' Arrears Support Units (ASUs), and how to escalate a case where urgent or exceptional issues arise.

Both the lender and MABS will proactively seek that the borrower engages with the lender, including where the case has been referred to the courts.

Where a case is adjourned in the courts, lenders and MABS will use the time allowed productively to seek to determine a possible solution, including possible alternatives to the courts process.

Where the borrower is identified as a consumer in vulnerable circumstances, as defined in CPC 2025[2], the lender will work with MABS to consider how best to proceed, including how best to manage such a case, in the event that court proceedings are unavoidable.

BPFI will seek to deal in a consistent manner with all third parties, including MABS, as requested by the borrower.

2 *"consumer in vulnerable circumstances" means a consumer that is a natural person and whose personal circumstances, whether permanent or temporary, make that consumer especially susceptible to harm, particularly where a regulated entity is not acting with the appropriate levels of care, and "vulnerable circumstances" shall be construed accordingly;*
Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Consumer Protection) Regulations 2025 (S.I. No. 81 of 2025) (CPC 2025)

4. Key requirements of MABS

MABS are committed to supporting their clients to reach mutually acceptable affordable, and sustainable arrangements with their lender with the overall aim of keeping them in their home[3] where this is possible.

MABS staff will:

1. Support their clients to engage with their lender as a matter of priority.

2. Provide a written consent in the form of a MABS signed Client Authorisation Form (CAF) authorising MABS to interact with the lender on their behalf and authorising the lender to share data belonging to the client with MABS.

3. Support their clients to make full disclosure of all financial circumstances, in the form of a Standard Financial Statement (or the lender's income and expenditure form, in certain circumstances) and any required supporting documentation, within 20 business days, or as soon as practicable, after the borrower / client's first MABS appointment.

4. Provide the lender with any supplemental documentation requested by it as soon as possible and to ensure timeframes for Court hearings are met.

5. When MABS becomes aware of a material change at any time in the process, they will inform the lender in writing and will incorporate the impact of changed circumstances into discussion. Where appropriate, the lender will require an updated SFS and supporting documentation to allow the required re-assessment to take place.

6. Support their client to continue to engage meaningfully with the lender until the process set out herein is concluded.

[3] Principal Private Residence (PPR)

5. Key Requirements of BPFI Lender

The lender will:

1. On receipt of a written consent in the form of a signed and dated MABS Client Authorisation Form from the borrower, identify the borrower as a MABS client and will ensure communications and requests from MABS on behalf of a client are dealt with appropriately.
2. Where there is a Client Authorisation Form on file, forward a copy of the most recent SFS (or income and expenditure statement, in certain circumstances) held by it to MABS in a timely manner.
3. Where, having assessed the case and the client's circumstances, in the view of MABS a copy of the original signed credit agreement is required to further the case, you may be asked to provide additional supporting documentation to the lender.
4. Provide a written response to the borrower and MABS on receipt of the signed Client Authorisation Form as referred to above and a fully completed SFS and all supporting/supplemental documentation, outlining whether an Alternative Repayment Arrangement (ARA) is being offered or not. This will be provided within 20 business days or as soon as possible after receipt of a complete set of documents from the borrower and/or MABS.
5. Work with MABS and the borrower to arrive at a mutually agreeable resolution. It is acknowledged that "resolution" may include outcomes where it may not be viable for the borrower to remain in the Principal Private Residence (PPR).
6. Where borrowers are separated (evidence may be required) and are not both in communication, consider a proposal from MABS on behalf of a client who is in a position to service the mortgage whether in its original contractual form or in an ARA form which may be applied to it.
7. Where a case is in the court process, that is, where a lender has notified the borrower of its intention to apply to the Courts to commence legal proceedings for the repossession of the principal private residence (PPR), as per Regulation 261(4) of CPC 2025, legal action will continue until such time as an ARA has been agreed and applied to the borrower's account or the borrower has engaged the services of a Personal Insolvency Practitioner for the purpose of accessing an insolvency arrangement pursuant to the Personal Insolvency Act 2012.
8. Mortgage to Rent (MTR) Scheme: In cases where MABS requests the lender to consider MTR as an option for the borrower, the lender will work with MABS in progressing MTR, where appropriate, having regard to the fact that the ultimate decision as to whether to purchase a property under the MTR Scheme rests with the relevant MTR provider at all times.
9. For cases adjourned by the courts, work closely with MABS and the borrower to determine feasibility of a resolution, within timelines provided by the courts.
10. In advance of a case entering into the legal process, where MABS provides a fully completed SFS and/or lender's Income and Expenditure Form and supporting documents on behalf of a borrower, put legal action on hold for 20 business days, if appropriate, to determine if a sustainable ARA can be put in place.
11. Where escalation is required for a particular case, MABS will contact the named person provided for this purpose only. Where there is an agreed urgency to a case, lenders may facilitate face-to-face meetings with MABS to discuss.
12. BPFI members stand ready to support homeowners who are impacted by the presence of defective materials in their properties. Our members have dedicated contact areas to assist customers impacted. Details can be found here: BPFI Defective Concrete Blocks Information.

[4] This facility may not always be available due to the structure of individual lenders' ASUs; in these cases, lenders will engage with MABS to explain best method of communication

Appendix A

The following member organisations agree to work with MABS on cases that fall under the scope of the BPFI MABS Framework Agreement:

AIB

Avantcard DAC trading as Avant Money

Bank of Ireland

BMC Global ASI

Cabot Financial

Dilosk

EBS

Finance Ireland

Haven

Lapithus Management DAC

Mars Capital Finance

Pepper Asset Servicing

PTSB

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