



Consumer Protection Codes Department
Financial Regulator
PO Box 9138
6-8 College Green
• Dublin 2

25 August 2010

Re: Review of Code of Conduct on Mortgage Arrears Consultation Paper CP46

Dear Sirs

We note the publication by the Financial Regulator of the *Review of Code of Conduct on Mortgage Arrears Consultation Paper CP46* and the intention to amend the Code of Conduct on Mortgage Arrears ("CCMA") in light of recommendations made by the Mortgage Arrears and Personal Debt Expert Group which was established by the Government in February 2010.

This Expert Group recommended that the CCMA should be extended to include credit unions. It is worth noting, and much to the League's disappointment, that no representative of the credit union movement was appointed to this Expert Group and therefore could not assist in informing whatever discussions may have taken place prior to agreeing this recommendation. As you will be aware, and as acknowledged in the press release issued by the Financial Regulator on 13 August 2010 on publication of CP46, any extension of the CCMA to include credit unions would require legislative change.

Any intention to amend legislation to allow the CCMA to be extended to credit unions would require a further consultation and comprehensive discussion with all stakeholders in the credit union movement. Given that the CCMA was drafted to apply to the mortgage lending activities of credit institutions (with the exception of credit unions) and therefore with only those entities in mind, it is clear that the provisions of the CCMA (as currently constituted or as is now proposed to be amended) could not be made directly applicable to credit unions as no account is taken in the CCMA of the nature and operations of credit unions which set them significantly apart from other credit institutions.

I hope you will take this on board in the event that any further action is taken on the issue.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Kieron Brennan', with a long horizontal flourish at the end.

Kieron Brennan
Chief Executive Officer