

The page features a white background with several decorative elements. In the top right, there is a large blue circle with a smaller, lighter blue circle inside it. Below this, towards the center, is a smaller version of the same blue circle design. In the bottom right corner, there is a large, partially cut-off blue circle with a smaller, lighter blue circle inside it. Two thin, light blue diagonal lines cross the page from the top left towards the bottom right. A large, faint, light grey watermark with the word 'DRAFT' is oriented diagonally across the center of the page.

**MABS Submission to
The Central Bank on
Additional Consumer
Protection Requirements for
Debt Management Firms CP82**

**Date: 17th July 2014
MABS National Development Limited**

The Money Advice and Budgeting Service (MABS) was established in 1992 to help people on low incomes, to cope with debts and take control of their own finances. It is a free, confidential and independent service. It currently comprises 53 MABS Services, located in over 60 offices nationwide. It is funded by the Citizens' Information Board, which has overall responsibility for the management of the MABS service, including monitoring, financial administration, executive decision-making, facilitating regional networking and funding the MABS service in its entirety.

MABS National Development Limited was established in 2004 to further develop the MABS Service in Ireland. It provides training and technical support to MABS staff nationally. MABSndI also assists the MABS service in providing educational and informational supports as well as assisting in highlighting policy issues that arise in the course of the money advice work on behalf of clients. MABSndI has responsibility for the on-going development of the MABS website www.mabs.ie and for providing the MABS national helpline service.

MABS Submission

Question 1: Do you agree with approach that we now propose taking with regard to client leads? If not, please explain why.

Answer 1: While MABS agrees with the approach outlined we are of the view that under 13.7 the consumer's specific consent should be in writing.

Question 2: Do you agree with approach that we now propose taking with regard to credit as a means of paying fees for debt management services? If not, please explain why.

Answer 2: We are of the view that where additional borrowings are required to pay for debt management services, there should be a clear obligation on commercial debt management services to inform customers of the existence of free debt advice services, and to warn them of the consequences of using further credit to pay for commercial debt advice

Question 3: Does the approach that we now propose provide sufficient protection for a consumer?

Answer 3: In MABS view the new proposal does not provide sufficient protection particularly for vulnerable consumers. It is very important that over-indebted consumers have time for reflection on what is proposed, its consequences

and time to discuss with others who may be affected by any agreements entered into. Where there are reasons that are considered relevant and compelling the freedom of the consumer to make a judgment on waiving their right could be severely impaired.

Question 4: Do you agree that the above protections are appropriate and adequate to ensure transparency and control for the consumer in relation to the progress being made to resolve their problems? If you disagree, please provide the reasons.

Answer 4: MABS agrees with the protections outlined under provision 13.17,13.21 and 13.22.