

Chapter 4

Advising and selling standards

4.9 Business loans and loans to high net worth mortgage customers: tailored provisions

4.9.1 **R** [deleted]

4.9.1A **G** *Firms* are reminded that in accordance with **MCOB 1.2.3 R** and **MCOB 1.2.3A R**, they should comply in full with *MCOB*, but in doing so may opt to take account of all tailored provisions in *MCOB* that relate to business loans or loans to *high net worth mortgage customers*, as the case may be. Therefore, a *firm* may only follow the tailored provisions in **MCOB 4.9** in relation to one of these sectors if it also follows all other tailored provisions in *MCOB* that relate to that sector. In either case, the rest of *MCOB* applies in full.

4.9.2 **G** [deleted]

Initial disclosure document.....

4.9.3 **G** [deleted]

4.9.4 **G**

- (1) *Firms* are reminded that **MCOB 1.2.7 R** enables them to substitute an alternative for 'mortgage' in the initial disclosure in relation to a *regulated mortgage contract* for a business purpose or a *high net worth mortgage customer*.
- (2) [deleted]
- (3) Where the initial disclosure in relation to a *regulated mortgage contract* for a business purpose or a *high net worth mortgage customer* makes reference to the permitted business of a *firm*, a *firm* can add text explaining the relevance of these descriptions. One approach may be to add an additional sentence such as: 'Secured overdrafts are referred to here as "mortgages" because they involve a charge being taken over your property'.

4.9.5 **R** [deleted]