

Chapter 6

Disclosure at the offer stage



6.1 Application

Who?

6.1.1 **R** Subject to **■** MCOB 6.1.2A R, this chapter applies to a *firm* in a category listed in column (1) of the table in **■** MCOB 6.1.2 R in accordance with column (2) of that table.

6.1.2 **R** This table belongs to MCOB 6.1.1 R

(1) Category of firm	(2) Applicable section
<i>mortgage lender</i>	whole chapter except MCOB 6.8
<i>home purchase provider</i>	MCOB 6.1 (except MCOB 6.1.6 G), MCOB 6.2 and MCOB 6.8
<i>reversion provider</i>	see MCOB 9.5 for the application of this chapter
<i>SRB agreement provider</i>	MCOB 6.1.1 R to MCOB 6.1.3 R, MCOB 6.1.5 R, MCOB 6.2, MCOB 6.3 and MCOB 6.9

6.1.2A **R** This chapter does not apply to a *firm* that is an *MCD mortgage lender*.

What?

6.1.3 **R** This chapter applies with respect to an offer made by a *firm* to a *customer* with a view to the *firm*:

- (1) *entering into a home finance transaction*;
- (2) *varying the terms of a home finance transaction* entered into by the *customer* in any of the following ways:
 - (a) adding or removing a party;
 - (b) making a further advance; or
 - (c) switching all or part of the *regulated mortgage contract* from one interest rate to another;

(whether or not the *customer* agrees to enter into the *home finance transaction* or variation).

6.1.4 **R** In relation to a *lifetime mortgage*, this chapter, **■** MCOB 6, is modified by **■** MCOB 9 (Equity release: product disclosure).

6.1.5 **R** In **■ MCOB 6**, a reference to an offer to enter into a *home finance transaction* is to be read as including a reference to an offer to vary an existing *home finance transaction* in a manner specified in this section if the context so requires.

6.1.6 **G** *Firms* may diverge from the requirements in **■ MCOB 5.6** (Content of *illustrations*) where necessary to reflect the fact that they are providing an illustration for a variation as part of an *offer document*.