

Chapter 7

Disclosure at start of contract
and after sale

7.2 Purpose

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- (1) This chapter amplifies *Principle 6* and *Principle 7*.
- (1A) This chapter requires information to be supplied to *customers* at the start of a *regulated mortgage contract* to enable them to check that the *regulated mortgage contract* has been set up in accordance with their requirements and to notify them of the first and subsequent payments.
- (2) Where a *firm* provides services to a *customer* in relation to a further advance, rate switch, or addition or removal of a party to a *regulated mortgage contract*, this chapter also requires that the *customer* is provided with an *illustration* to make clear the price and features associated with that variation.
- (3) This chapter also ensures that *customers* are supplied with information which enables them to check the payments and charges on a *home finance transaction*, to keep track of the transactions on, and the features of, a *home finance transaction* and to be kept informed of material changes.
- (4) To ensure that a *customer* has a record of the information required by this chapter, ■ MCOB 7.3.2 R requires the information to be provided to the *customer* in a *durable medium*.