

## Chapter 7B

MCD: further advances



**7B.1 Information to be provided for further advances**

- 7B.1.1** R This chapter applies to a *firm* that is an *MCD mortgage lender* or an *MCD mortgage credit intermediary*.
- 7B.1.2** R Before a *consumer* submits an application to a *firm* for a further advance on an existing or new *MCD regulated mortgage contract* or for a further advance that is a new *MCD regulated mortgage contract*, if the further advance requires the approval of the *MCD mortgage lender*, the *firm* must provide the *consumer* with an *ESIS* that complies with ■ **MCOB 5A** (MCD pre-application disclosure) and ■ **MCOB 7B.1.4 R** for the further advance, unless an *ESIS* has already been provided.
- 7B.1.3** G If a number of different *firms* are involved in relation to the transaction in ■ **MCOB 7B.1.2 R**, having regard to ■ **MCOB 2.5.4 R (2)**, those *firms* should take reasonable steps to establish which one of them is responsible for providing the *consumer* with the *ESIS* required by ■ **MCOB 7B.1.2 R**.
- 7B.1.4** R The *ESIS* provided under ■ **MCOB 7B.1.2 R** must be based on the amount of the further advance only.
- 7B.1.5** G To comply with ■ **MCOB 7B.1.4 R**, a *firm* should calculate the *APRC* on the basis of the further advance amount only.