

Chapter 9

Equity release: product disclosure

9.1 Application

Who?

9.1.1 **R** This chapter applies to a *firm* in a category listed in column (1) of the table in **■ MCOB 9.1.2 R** in accordance with column (2) of that table, except that those provisions that by their nature are only relevant to *regulated mortgage contracts* do not apply to *home reversion plans*.

9.1.2 **R** This table belongs to **■ MCOB 9.1.1 R**

| (1) Category of firm | (2) Applicable section |
|--|--|
| <i>mortgage lender</i> | MCOB 9.1 - MCOB 9.4.132 R, MCOB 9.5 - MCOB 9.8 |
| <i>mortgage administrator</i> | MCOB 9.1, MCOB 9.2, MCOB 9.6 and MCOB 9.8 |
| <i>mortgage adviser; mortgage arranger</i> | MCOB 9.1 - MCOB 9.4.132 R and MCOB 9.8.5 R - MCOB 9.8.10 R |
| <i>reversion provider</i> | MCOB 9.1 - MCOB 9.4.17A R, MCOB 9.4.133 R - MCOB 9.6; MCOB 9.9 |
| <i>reversion administrator</i> | MCOB 9.1, MCOB 9.6 and MCOB 9.9 |
| <i>reversion adviser; reversion arranger</i> | MCOB 9.1 - MCOB 9.4.17A R, MCOB 9.4.133 R - MCOB 9.4.176 G; MCOB 9.9.8 R |

9.1.2A **G** The *rules* and *guidance* that are not relevant to *home reversion plans* are those related, for example, to interest rates, *APR*, *higher lending charge*, *mortgage credit cards*, multi-part mortgages and foreign currency mortgages.

What?

9.1.3 **R** This chapter applies in the circumstances set out in other *rules* in this sourcebook, but in relation to an *equity release transaction*, in accordance with the table in **■ MCOB 9.1.4 R**.

9.1.4 **R** This table belongs to **■ MCOB 9.1.3 R**

| Section of MCOB 9 | Applies in relation to an <i>equity release transaction</i> as set out in the following rules: |
|--------------------|--|
| MCOB 9.1, MCOB 9.2 | all of the <i>rules</i> below in this column |

| Section of MCOB 9 | Applies in relation to an <i>equity release transaction</i> as set out in the following rules: |
|--------------------|--|
| MCOB 9.3, MCOB 9.4 | MCOB 5.1.3 R |
| MCOB 9.5 | MCOB 6.1.3 R |
| MCOB 9.6 | MCOB 7.1.3 R |

9.1.5 **R** In this chapter, references to an *equity release transaction* include, where the context requires, references to arrangements which are capable of becoming an *equity release transaction*.

9.1.6 **R** This chapter does not apply in relation to *arranging, advising on or administering a home reversion plan* for a customer acting in his capacity as an *unauthorised reversion provider*.

MCD application

9.1.7 **G**

- (1) This chapter does not apply to an *MCD lifetime mortgage*, except as set out in (2) to (3), below.
- (2) ■ MCOB 9.4.33 R, ■ MCOB 9.4.35 R, ■ MCOB 9.4.62 R and ■ MCOB 9.4.63 R apply to the extent specified by ■ MCOB 5A.6.2 R.
- (3) ■ MCOB 9.6 to ■ MCOB 9.8 apply, except for *rules* that modify or replace MCOB 7.6.7R to MCOB 7.6.17R (because those *rules* do not apply to an *MCD mortgage lender* or an *MCD mortgage credit intermediary*, ■ MCOB 7B applies instead: see MCOB 7.1.2AR and MCOB 7.1.2BG).