

COVID-19 MORTGAGES INSTRUMENT 2020

Powers exercised

- A. The Financial Conduct Authority makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (the “Act”):
- (1) section 137A (General rule-making power); and
 - (2) section 137T (General supplementary powers).
- B. The rule-making powers listed above are specified for the purpose of section 138G(2) (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force on 27 April 2020.

Amendments to the Handbook

- D. The Mortgages and Home Finance: Conduct of Business sourcebook (MCOB) is amended in accordance with the Annex to this instrument.

Citation

- E. This instrument may be cited as the COVID-19 Mortgages Instrument 2020.

By order of the Board
23 April 2020

Annex

**Amendments to the Mortgages and Home Finance: Conduct of Business sourcebook
(MCOB)**

In this Annex, underlining indicates new text and striking through indicates deleted text.

- 11 Responsible lending, and responsible financing of home purchase plans**
- ...
- 11.9 Remortgaging with the same or a different lender with no additional borrowing**
- ...
- 11.9.15 R ...
- (2) The *firm* must make the determination and give the notice required by *MCOB* 11.9.14R no later than 1 ~~September~~ December 2020.
- 11.9.16 G In developing and implementing their strategy for notifying relevant borrowers of the possibility of switching lender under this section, *firms* should have regard both to the purpose of this section and to the likely timescales for lenders to be ready to offer mortgages to borrowers in reliance on the *rules* in this section. For example, they should neither notify borrowers before there are lenders ready to make use of the *rules* in this section, nor delay sending notices until shortly before 1 ~~September~~ December 2020 (as to do so might leave borrowers paying for a less affordable mortgage for longer than is necessary).