

Chapter 3B

MCD general information



3B.1 Provision of general information

3B.1.1 **R** This chapter applies to a *firm* that is an *MCD mortgage lender* or a *tied MCD mortgage credit intermediary*.

3B.1.2 **R** A *firm* must make available clear and comprehensible information about *MCD regulated mortgage contracts* at all times on paper, or on another *durable medium* or in electronic form, that includes:

- (1) the identity and the geographical address of the *firm*;
- (2) the purposes for which the *credit* may be used;
- (3) the forms of security, including, where applicable, the possibility for it to be located in a different *EEA State*;
- (4) the possible duration of the *MCD regulated mortgage contracts*;
- (5) the types of available *borrowing rate*, indicating whether fixed or variable or both, with a short description of the characteristics of a fixed and variable rate, including related implications for the *consumer*;
- (5A) where contracts that reference a *benchmark* are available, the names of the benchmarks and of their administrators and the potential implications on the consumer;
- (6) where *foreign currency loans* are available, an indication of the foreign currency or currencies, including an explanation of the implications for the *consumer* where the *credit* is denominated in a foreign currency;
- (7) a representative example of the *total amount of credit*, the *total cost of the credit to the consumer*, the total amount payable by the consumer and the *APRC*;
- (8) an indication of possible further costs, not included in the *total cost of the credit to the consumer*, to be paid in connection with an *MCD regulated mortgage contract*;
- (9) the different options available for repaying the *credit* to the *MCD mortgage lender*, including the number, frequency and amount of the regular repayment instalments;

- (10) where applicable, a clear and concise statement that compliance with the terms and conditions of the *MCD regulated mortgage contract* does not ensure repayment of the *total amount of credit*;
- (10A) a description of the conditions directly relating to early repayment;
- (11) whether a valuation of the property is necessary and, where applicable, who is responsible for ensuring that the valuation is carried out, and whether any related costs arise for the *consumer*;
- (12) an indication of ancillary services the *consumer* is obliged to acquire in order to obtain the *credit* or to obtain it on the terms and conditions marketed and, where applicable, a clarification that the ancillary services may be purchased from a provider that is not the *MCD mortgage lender*; and
- (13) a general warning concerning possible consequences of non-compliance with the commitments linked to the *MCD regulated mortgage contract*.

[Note: article 13 of the *MCD*]

3B.1.3

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- (1) A *firm* may make the information in ■ MCOB 3B.1.2 R available by publishing it on a website.
- (2) The *MCD regulated mortgage contracts* in ■ MCOB 3B.1.2 R are those offered or entered into by the *firm*.

3B.1.4

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- (1) Article 2.2(f) of the *benchmarks regulation* provides that the regulation does not apply to a natural or legal person that grants or promises to grant credit in the course of that person's trade, business or profession. However, that exclusion only applies insofar as that person publishes or makes available to the public that person's own variable or fixed borrowing rates set by internal decisions and applicable only to financial contracts entered into by that person or by a company within the same group with their respective clients.
- (2) The *FCA* considers that a *firm* (F) is not required to include details about a *benchmark* (B) under ■ MCOB 3B.1.2R(5A) insofar as the exclusion in article 2.2(f) of the *benchmarks regulation* applies to F in respect of B.