

Chapter 6A

MCD disclosure at the offer stage



6A.1 Application and purpose

- 6A.1.1** **R** This chapter applies to a *firm* that is an *MCD mortgage lender*.
- 6A.1.2** **R** This chapter applies to an offer made by a *firm* to a *consumer* with a view to the *firm*:
- (1) entering into an MCD mortgage contract;
 - (2) varying the terms of an MCD mortgage contract entered into by the *consumer* in any of the following ways:
 - (a) adding or removing a party;
 - (b) making a further advance; or
 - (c) switching all or part of the *MCD regulated mortgage contract* from one interest rate to another;

(whether or not the *consumer* agrees to enter into the *MCD regulated mortgage contract* or variation).
 - (3) In **■ MCOB 6A**, a reference to varying an *MCD regulated mortgage contract* is to be read as including a reference to an offer to vary an existing MCD regulated mortgage in a manner specified in this section.
- 6A.1.3** **G** **■ MCOB 6A** amplifies *Principle 6* and *Principle 7*. The purpose of **■ MCOB 6A** is to ensure that a *customer* receives a clear *offer document* to enable them to check the features and price of the *MCD regulated mortgage contract* before they enter into it.