

Common findings in IDD reviewed – May 2005

Prescribed text and format must be followed. No 'explanatory' text, signature boxes, risk warnings etc should be added to the beginning or end of the IDD.

The official version of the 'Keyfacts' brand must be used. The logo and the words 'about our mortgage services' must be used and positioned next to each other, as shown.

All three scopes of service must be stated, with the service provided by the firm indicated in the tick box.

The options must say 'We' rather than repeat the firm name.

Both options must be stated, with one box ticked.

Further payment options can be stated - each with a tick box.

If no fee is charged, the text for the second box should be abbreviated simply to 'A fee.'

Where the firm charges a fee but the amount is unknown (e.g. because it is based on the size of the loan), it must include a representative example.

Any arrangements for partial refunds must also be disclosed in this section.

If the firm operates under a trading name, the name the authorised firm appears under in the Register must also be stated.

The firm must insert relevant contact details but must not state other non-prescribed complaint information.

Prescribed text about the complaint and compensation arrangements must be stated in full.

keyfacts about our mortgage services

Ground Floor
Garden Row
Mudford
TOP 501L
Tel - 0579 333555
enquiries@worms.com

WORLD of REGULATED MORTGAGE SOLUTIONS

1. The Financial Services Authority (FSA)
The FSA is the independent watchdog that regulates financial services. It requires us to give you this document. Use this information to decide if our services are right for you.

2. Whose mortgages do we offer?

We can offer mortgages from the whole market.
 We only offer mortgages from a limited number of lenders. Ask us for a list of the lenders we offer mortgages from.
 We only offer mortgages from a single lender.

3. Which service will we provide you with?

We will advise and make a recommendation for you after we have assessed your needs.
 You will not receive advice or a recommendation from us. We may ask some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed.

4. What will you have to pay us for this service?

No fee.
 A fee of £450 payable when you apply for a mortgage - the lender will also pay us commission.

You will receive a key facts illustration when considering a particular mortgage which will tell you about any fees relating to it.

5. Refund of fees

If we charge you a fee, and your mortgage does not go ahead, you will receive:
 A full refund if you follow our recommendation but the mortgage does not complete.
 No refund in any other circumstance.

6. Who regulates us?

Lumbrius Limited (trading as World of Regulated Mortgage Solutions), Ground Floor, Garden Row, Mudford, TOP 501L is authorised and regulated by the Financial Services Authority. Our FSA Register number is 987654. Our permitted business is advising and arranging mortgages. You can check this on the FSA's Register by visiting the FSA's website www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

7. What to do if you have a complaint

If you wish to register a complaint, please contact us:
... in writing Write to Consumer Services, WORMS, Ground Floor, Garden Row, Mudford, TOP 501L
... by phone Telephone 0579 333555

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.

8. Are we covered by the Financial Services Compensation Scheme (FSCS)?

We are covered by the FSCS. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.
Mortgage advising and arranging is covered for 100% of the first £30,000 and 90% of the next £20,000 so the maximum compensation is £48,000. Further information about the compensation scheme arrangements is available from the FSCS.

Only in a CIDD must 'mortgage' be omitted from the heading. Similarly, only in a CIDD must sections 2, 3 & 4 have a sub-heading of 'mortgages'.

A head office or place of business address must be stated.

Any branding used must not diminish the prominence of the 'Keyfacts' logo.

The second sentence of this scope of service can be omitted if the firm's service is not based on a limited number of lenders; or the names of the limited number of lenders are stated.

Where a fee is charged, the IDD must state when it is payable.

If the firm is paid, either in part or whole, by commission, it must state this in plain language.

If the firm is 'independent' it will need to disclose a fee-only payment option in this section.

This section can be omitted, and the following sections renumbered, if there is no fee or if the fee is only payable if the mortgage completes.

The firm needs to give a **brief**, plain language description of its permitted mortgage activities, avoiding adding unnecessarily to the length of the IDD.

For further assistance, our website includes templates for the IDD and CIDD - www.fsa.gov.uk/Pages/Doing/Info/disclosure/index.shtml as well as examples of compliant documents - www.fsa.gov.uk/pubs/Policy/PS186/examples_disclosure.pdf