

	CCA Advertising Requirements	Regulation Ref.	FSA Financial Promotion Rules For 'Qualifying Credit'	FSA Handbook Ref.	Observation
General Principles	Advertisements must use plain and intelligible language, be easily legible, and specify the name of the advertiser	Regulation 3	Financial promotions must be clear, fair and not misleading	MCOB 3.6.3 (1)	Inconsistent terminology leads to a greater risk of inconsistent interpretations by businesses
Requirement to display APR	Advertisements may only contain one APR which must be representative		An APR must be displayed for each product advertised in the promotion		This can lead to confusion for consumers where qualifying and non-qualifying credit are advertised in the same promotion
APR Triggers	The typical APR is triggered if the advert: specifies any other rate of charge, includes any item referred to in Schedule 2 (Para 5-7) of the regulations, indicates that credit is available to persons who might otherwise consider access to credit restricted, or where credit is more favourable either generally or for a limited period, or where it includes any incentive to apply for credit.	Regulation 8 (1)	The requirement to display an APR is triggered if a qualifying credit promotion contains price information or makes reference to the availability of credit for customers who might otherwise consider the access to credit restricted.		Under the CCA regime, displaying a loan value would not trigger the APR. Under the FSA rules for qualifying credit, any price info would trigger the requirement to display an APR.
APR Calculation	The typical APR is the APR at or below which an advertiser reasonably expects at the date on which an advert is published, that credit would be provided under at least 66% of the agreements he will enter into as a result of the advert.	Regulation 1	A representative APR must be at a rate which 66% of customers responding to the promotion and enter into the agreement would be charged.	MCOB 3.6.23	
APR Denoted	The APR must be denoted with "%APR". Any representative or typical APR must be accompanied with the word "typical". Where an APR is subject to change, it must be accompanied with the word "Variable."	Regulation 8 (3) and (5)	APR must be displayed as follows: "The overall cost for comparison is x%APR"	MCOB 3.6.17	FSA and CCA requirements mean that different wordings are required when displaying the APR.
APR prominence	The APR must be displayed with greater prominence than : i) any other rate of charge ii) any of the items listed in Schedule 2 to the regulations, and, iii) any incentive offered . The APR must be displayed in characters at least 1.5 times the size of these items.	Regulation 8 (5)	The APR must have no less prominence than the trigger	MCOB 3.6.17 (1) (b)	Prominence is described differently, and the text size is prescribed in the CCA regulations.
Range of APR	A range of APRs is not permitted unless the advertisement specifies both the lowest APR, (which must meet the 10% rule), and the highest APR at which credit would be provided.	Regulation 8 (2)	No reference to 'From' or 'to' APRs. APR must be positioned immediately after any other rate quoted.	MCOB 3.6.17 (1) (c)	
N/A		N/A	FSA rules require that an extra warning be displayed where the APR can vary: "The actual rate available will depend on your personal circumstances. Ask for a personalised illustration."	MCOB 3.6.25	This is an additional requirement to the CCA regulations.
Wealth Warnings	Required risk warning: 'YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE OR ANY OTHER DEBT SECURED ON IT'	Regulation 7 (2)	Require risk warning: 'Your home may be repossessed if you do not keep up repayments on your mortgage.' (This can now be adapted to read 'YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE OR ANY OTHER DEBTS SECURED ON IT')	MCOB 3.6.13	The CCA rules impose the additional requirement to display this risk warning in capital letters. Also CCA regulations require the wording 'a mortgage' whereas FSA rules require the wording 'your mortgage'.
Exemptions	Exemption for TV/ radio where primary purpose of the programming is not to promote lending. Exemption for pictures, photographic or cinematographic film.	Regulation 7 (8)	The prescribed warnings are not required in the case of an advert which is published by means of television or radio broadcast in the courses of programming the primary purpose of which is not advertising, or by exhibition of a film. The exclusion applies where the advert appears in a commercial break between programming which are not primarily for advertising purposes.E.g Shopping Channel	MCOB 3.6.15 and 3.6.16	Different conditions to meet exemption requirements for each regime.
Restricted Expressions	Overdraft, interest free, no deposit, loan guaranteed, pre- approved , gift, present or another similar expressions.	Regulation 9 (1)	Overdraft, Interest Free, No deposit, Mortgage Guaranteed, pre cleared, gift, present, early repayment charge, higher lending charge	MCOB 3.6.8 and 3.6.9	The terms are inconsistent. Some words are slightly different for CCA than FSA, e.g. 'pre approved' and 'pre cleared'.
Proximity	No regulation on proximity of items	N/A	Proximity ruling for the APR, and fee information. Advantages have to displayed next to any disadvantages.	MCOB 3.6.17 (1) (c) and 3.6.27	
Specific Requirement To Display Balanced Information	No specific requirements.	N/A	Disadvantages should be shown against any advantages that are mentioned. e.g. extended loan period to achieve lower monthly payments.	MCOB 3.6.7	

Requirements For Advertisements Targeted At Sub-Prime or Non-conforming Consumers	An APR and wealth warning are triggered. The APR and wealth warning must be more prominent than the trigger, and at least 1.5 times the size of the characters of the trigger.	Regulation 8 (c) (i), Regulation 8 (5)	An APR is required, which must be displayed next to the trigger on the advertisement. The APR must be displayed with no less prominence than the trigger.	MCOB 3.6.17	The FSA rules require prominence and proximity to be taken into account, whereas the CCA regulations dictate the sizing of APR but do not dictate proximity.
Fees	A statement indicating the descripton and amount of any other payments or charges which may be payable under the transaction advertised.	Schedule 2 (6)	If a fee is charged for advising or arranging credit then a prominent indication must be given of either of the following. The fee figure or %. A representative fee based on the business expected to arise from the promotion. "There will be a fee for mortgage advice. The precise amount will depend on your circumstances but we estimate it will be £X"	MCOB 3.6.27	FSA allows a fee for intermediary services to be displayed as a percentage. CCA requires the exact amount to be displayed.
Total Amount Payable	If advertising displays repayment examples then the total amount payable will need to be included for each repayment shown.	Schedule 2 (7)	N/A	N/A	The FSA rules do not require the total amount payable to be included in the same circumstances.