



ROSE
Financial Planning

BANK 'MANDATORY' INSURANCES ARE NO LONGER MANDATORY!

There is a continuing confusion with both banks and clients alike around the issue of what the banks (lenders) can do to insist upon certain Assurances and Insurances related to a mortgage, new or existing.

Banks might have you believe that they can still insist upon you taking up their products; they cannot!

The law in relation to such Assurances and Insurances is now the same in Spain as it is in the UK; The Bank of Spain outlawed 'mandatory' bank offerings about 2 years ago.

However, the banks are entitled to request such but they cannot insist on you taking their own! You are entitled to make arrange your own arrangements, and yes, you may even have to have the bank noted as a beneficiary in the event that a claim needs to be made. But that is where the bank's involvement ends!

One final point! The banks here often offer a discount on the pay rate of the mortgage (supposedly) when offering their own products (life, home, pensions, cards, etc) BUT watch out that you do not get caught by a seemingly attractive net pay rate only to get hammered on premiums for the these other products.

Mark Mountney, the proprietor of Rose Financial Planning, is a specialist mortgage brokerage and Independent Financial Advisor. He is a fully qualified mortgage and financial adviser in the UK with some 10 years experience in managing his own firm. Mark was also a founder of The Association of Mortgage Intermediaries, the trade association for mortgage advisers in the UK with 28,000 members. See www.rosefp.com or call 0034 677 874 948.