



ASIC

Australian Securities & Investments Commission

ASIC Credit (Amendment) Instrument 2018/706

I, Jennifer Dolphin, delegate of the Australian Securities and Investments Commission, make the following legislative instrument.

Date 27 September 2018

Jennifer Dolphin

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Part 1—Preliminary

1 Name of legislative instrument

This is the *ASIC Credit (Amendment) Instrument 2018/706*.

2 Commencement

This instrument commences on the day after it is registered on the Federal Register of Legislation.

Note: The register may be accessed at www.legislation.gov.au.

3 Authority

This instrument is made under paragraph 109(3)(d) of the *National Consumer Credit Protection Act 2009*.

4 Schedules

The instrument that is specified in the Schedule to this instrument is amended as set out in the applicable items in the Schedule, and any other item in the Schedule has effect according to its terms.

Schedule 1—Amendments

ASIC Credit (Flexible Credit Cost Arrangements) Instrument 2017/780

1 Paragraph 5(a) (notional definition of *flexible credit cost arrangement*)

After “servicing agreement”, insert “or a management agreement”.

2 Paragraph 5(a) (notional definition of *home loan*)

After “provides credit”, insert “wholly or predominantly”.

3 Paragraph 5(a) (notional definition of *home loan*)

After “purchase” (wherever occurring), insert “, renovate or improve”.

4 Paragraph 5(a) (after the notional definition of *linked supplier*)

Insert:

“*management agreement* means a written agreement that is:

- (a) entered into by a mortgage manager (as defined in in regulation 26 of the *National Consumer Credit Protection Regulations 2010*) and by a credit provider or lessor; and
- (b) an agreement of the type specified in the definition of *mortgage manager* in regulation 26 of the *National Consumer Credit Protection Regulations 2010*.”

5 Section 6

Omit all the words after “apply”, substitute:

“in relation to:

- (a) a credit activity that was engaged in before this instrument commences; or
- (b) a credit contract or a consumer lease that was entered into:
 - (i) before this instrument commences; or
 - (ii) before 1 February 2019 as a result of:
 - (A) an offer that was made by the credit provider or lessor before this instrument commences; or

- (B) an acceptance by the credit provider or lessor before 1 February 2019 of an offer made by the consumer before this instrument commences.”.