

EXPOSURE DRAFT

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Inserts for

**Financial Sector Reform (Hayne Royal
Commission Response—Protecting Consumers
(2020 Measures)) Regulations 2020: Deferred
sales model for add-on insurance**

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Schedule [4.3]—Deferred sales model for add-on insurance

Australian Securities and Investments Commission Regulations 2001

1 After section 3A

Insert:

3B Deferred sales for add-on insurance products—when consumer enters into a commitment

- (1) For the purposes of subsection 12DO(3) of the Act, a consumer is taken to have entered into a commitment to acquire a product or service of a class specified in column 1 of the following table at the time specified in column 2.

Deferred sales for add-on insurance products—when consumer enters into a commitment		
	Column 1	Column 2
Item	Class of product or service	Time of entering into commitment
1	A credit card	The time at which the consumer is informed in writing of the approval of the credit facility
2	A loan secured by a mortgage, charge or other security interest over residential property in Australia	The time at which the consumer is informed in writing of the approval of the credit facility
3	A loan for the purchase of a motor vehicle	The time at which the consumer is informed in writing of the approval of the credit facility
4	A loan for personal, domestic or household purposes	The time at which the consumer is informed in writing of the approval of the credit facility
5	The hire of a motor vehicle	Either: (a) if the consumer makes a reservation for the hire of the vehicle before taking possession of the vehicle—the time at which the consumer makes the reservation; or (b) otherwise—the time at which the consumer takes possession of the vehicle

- (2) In this regulation:

motor vehicle means a motor-powered road vehicle (including a 4-wheel-drive vehicle).

Corporations (Fees) Regulations 2001

2 Clause 1 of Schedule 1 (after table item 124)

Insert:

- 124A On application to ASIC for an exemption, or a variation or revocation of an exemption, under subsection 12DY(1) or (3) of the ASIC Act \$3,487

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