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| **EXPOSURE DRAFT** |

Inserts for

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

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 | | |
| --- | --- | --- |
| Item | Column 1  Class of product or service | Column 2  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:

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| 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 |