

**COVID-19 MOTOR FINANCE AND HIGH COST CREDIT (No 2) INSTRUMENT
2020**

Powers exercised

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 137A (The FCA’s general rules); and
 - (2) section 137T (General supplementary powers).
- B. The rule-making provisions listed above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force on 17 July 2020.

Amendments to the Handbook

- D. The Consumer Credit sourcebook (CONC) is amended in accordance with the Annex to this instrument.

Citation

- E. This instrument may be cited as the COVID-19 Motor Finance and High Cost Credit (No 2) Instrument 2020.

By order of the Board
13 July 2020

Annex

Amendments to the Consumer Credit sourcebook (CONC)

In this Annex, underlining indicates new text and striking through indicates deleted text.

6 Post contractual requirements

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6.7 Post contract: business practices

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Rules on refinancing: general

6.7.17 R ...

- (4) For the purpose of *CONC* 6.7.18R, *CONC* 6.7.19R, *CONC* 6.7.21G and *CONC* 6.7.23R, the term “refinance” within paragraph (1) does not include where a *firm* extends, or purports to extend, the period over which one or more *repayment* is to be made by a *customer* in circumstances where the *firm* does this in order to follow the guidance entitled Credit cards (including retail revolving credit) and coronavirus: updated temporary guidance for firms, the guidance entitled Personal loans and coronavirus: updated temporary guidance for firms, the guidance entitled Motor finance agreements and coronavirus: updated temporary guidance for firms, the guidance entitled High-cost short-term credit and coronavirus: updated temporary guidance for firms, the guidance entitled Rent-to-own, buy-now-pay-later and pawnbroking agreements and coronavirus: updated temporary guidance for firms or the guidance entitled Coronavirus and customers in temporary financial difficulty: guidance for insurance and premium finance firms.

7 Arrears, default and recovery (including repossessions)

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7.3 Treatment of customers in default or arrears (including repossessions): lenders, owners and debt collectors

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Forbearance and due consideration

- 7.3.2A R *CONC* 7.3.3G to *CONC* 7.3.6G and *CONC* 7.3.8G do not apply to the extent that the *firm* follows the guidance entitled Credit cards (including retail

revolving credit) and coronavirus: updated temporary guidance for firms, ~~or~~ the guidance entitled Personal loans and coronavirus: updated temporary guidance for firms, the guidance entitled Motor finance agreements and coronavirus: updated temporary guidance for firms, the guidance entitled High-cost short-term credit and coronavirus: updated temporary guidance for firms or the guidance entitled Rent-to-own, buy-now-pay-later and pawnbroking agreements and coronavirus: updated temporary guidance for firms, except, in each case, where the guidance indicates that the *firm* should act in accordance with those *rules* or *guidance*.

7.3.3 G ...

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