

**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 *[date]*.

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
[date]

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

...

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

...

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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