

Chapter 5B

Cost cap for rent-to-own agreements

5B.7 Interpretation

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5B.7.1

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In this chapter, words or terms used in ■ CONC 5B which appear in bold (other than headings and titles) have the following meanings:

- (1) **“associate”** means any *person* whose business or domestic relationship with a **RTO firm**, whether directly or indirectly, might reasonably be expected to give rise to a community of interest between them which may involve a conflict of interest in dealings with *consumers*;
- (2) **“benchmarked price”** means a price calculated in accordance with ■ CONC 5B.2.2R, ■ CONC 5B.2.4R or ■ CONC 5B.2.8R;
- (3) **“charge”** is a charge payable, by way of interest or otherwise, in connection with the provision of *credit* under a **RTO agreement**, whether or not the agreement itself makes provision for this, and whether or not the *person* to whom it is payable is a party to the **RTO agreement** or an *authorised person*, and which would form part of *the total charge for credit*;
- (4) **“connected agreement”** is an agreement:
 - (a) for delivery and/or installation of *goods* supplied under a **RTO agreement**; and/or
 - (b) which provides for a payment in connection with a **RTO agreement** where that payment would form part of the *total charge for credit*;
- (5) **“household goods”** means *goods* which are normally found in a residential home and includes but is not limited to furniture, kitchen appliances (such as cookers, washing machines and dryers, microwaves, refrigerators and freezers), electronic and technological goods (such as vacuum cleaners, televisions and accessories, music systems and accessories, games consoles and accessories, computers, tablets and accessories, and mobile phones);
- (6) **“retail revolving credit business”** means a *person*:
 - (a) whose business comprises or includes the sale of *goods* financed by a form of *retail revolving credit*; and
 - (b) whose business does not comprise or include the sale of such goods from one or more physical stores.
- (7) **“RTO agreement”** means a *regulated credit agreement* which is a *hire-purchase or conditional sale agreement* that supplies one or

more items of **household goods**, but excluding those in relation to *goods* acquired principally for business purposes; and

- (8) “**RTO firm**” means a *firm* whose business comprises or includes the *regulated activity of entering into a regulated credit agreement as lender and/or exercising or having the right to exercise the lender’s rights and duties under a regulated credit agreement*, in relation to one or more **RTO agreements**, as defined in ■ CONC 5B.7.1R(7) and in relation to more than one category of **household goods**.