

COVID-19 CONSUMER CREDIT 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 25 November 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 Consumer Credit Instrument 2020.

By order of the Board
12 November 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

Application

6.7.1 R ...

- (5) *CONC 6.7.3AR* and *CONC 6.7.3BG* 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~~ Payment Deferral Guidance, except where the guidance indicates that the *firm* should act in accordance with *CONC 6.7.3AR*.

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6.7.5 R ...

- (4) Paragraph (1) does not apply in circumstances where the *firm*, in order to allow the *customer* to defer (in whole or part) the making of *repayments* under the *regulated credit agreement* if they choose to do so in the circumstances and for the duration set out in the guidance entitled Credit cards (including retail revolving credit) and coronavirus: temporary guidance for firms, ~~or~~ the guidance entitled Credit cards (including retail revolving credit) and coronavirus: updated temporary guidance for firms, or the guidance entitled Credit cards (including retail revolving credit) and coronavirus: Payment Deferral Guidance, varies or has varied the *regulated credit agreement* so as not to oblige the *customer* to make minimum required *repayments* for that duration.

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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~~ Payment Deferral Guidance, the guidance entitled Personal loans and coronavirus: ~~updated temporary guidance for firms~~ Payment Deferral Guidance, the guidance entitled Motor finance agreements and coronavirus: ~~updated temporary guidance for firms~~ Payment Deferral Guidance, the guidance entitled High-cost short-term credit and coronavirus: ~~updated temporary guidance for firms~~ Payment Deferral Guidance, the guidance entitled Rent-to-own, buy-now-pay-later and pawnbroking agreements and coronavirus: ~~updated temporary guidance for firms~~ Payment Deferral Guidance or the guidance entitled Coronavirus and customers in temporary financial difficulty: updated guidance for insurance and premium finance firms.

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- 6.7.26A R *CONC* 6.7.27R to 6.7.40G do not apply to a *firm* in respect of a *customer*, who the *firm* has allowed to defer (in whole or part) the making of *repayments* under a *regulated credit agreement* for a credit card or *retail revolving credit* in the circumstances and for the duration set out in the guidance entitled Credit cards (including retail revolving credit) and coronavirus: temporary guidance for firms, ~~or~~ the guidance entitled Credit cards (including retail revolving credit) and coronavirus: updated temporary guidance for firms, or the guidance entitled Credit cards (including retail revolving credit) and coronavirus: Payment Deferral Guidance, for the period of the deferment.

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 (1) the guidance entitled Credit cards (including retail revolving credit) and coronavirus: ~~updated temporary guidance for firms~~ Payment Deferral Guidance, the guidance entitled Personal loans and coronavirus: ~~updated temporary guidance for firms~~ Payment Deferral Guidance, the guidance entitled Motor finance agreements and coronavirus: ~~updated temporary guidance for firms~~ Payment Deferral Guidance, the guidance entitled High-cost short-term credit and coronavirus: ~~updated temporary guidance for firms~~ Payment Deferral Guidance or the guidance entitled Rent-to-own, buy-now-pay-later and pawnbroking agreements and coronavirus: ~~updated temporary guidance for firms~~ Payment Deferral Guidance; or

- (2) the part of the guidance entitled Coronavirus and customers in temporary financial difficulty: updated guidance for insurance and premium finance firms under the heading Payment Deferrals

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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