

**Australian Securities and Investments Commission  
National Consumer Credit Protection Act 2009 — Paragraph 163(1)(d) —  
Declaration**

**Enabling provision**

1. The Australian Securities and Investments Commission (*ASIC*) makes this instrument under paragraph 163(1)(d) of the *National Consumer Credit Protection Act 2009* (the *Act*).

**Title**

2. This instrument is ASIC Instrument 12-0702.

**Commencement**

3. This instrument commences 18 June 2012.

**Declaration**

4. ASIC declares that the provisions to which Part 3-7 of the Act applies apply in relation to HomeStart Finance as if Part 1 of Schedule 5 to the *National Consumer Credit Protection Regulations 2010* were modified or varied as follows:
  - (a) in the table with the heading "What you have told us" omit "Term of the home loan:", substitute "Estimated term of the home loan.\*";
  - (b) immediately below the table with the heading "What you have told us" insert:
 

"\* This loan term is indicative only and is contingent on movements in interest rates and inflation";
  - (c) in the table with the heading "What happens at the end of the fixed rate period" omit "Under the current variable interest rate, if interest rates do not change, your monthly repayment would [increase/decrease] by around [change in repayment]", substitute "Under the current variable interest rate, if interest rates do not change, your monthly repayment would not change, however, your loan term may be extended";
  - (d) in the table with the heading "What happens if interest rates increase?":
    - (i) omit "If your interest rate was to increase by 1% per annum, your monthly repayment would increase by around [change in repayment 2].<sup>19</sup>", substitute "If your interest rate was to increase by 1% per annum, in most circumstances your monthly repayment would not change, however, your loan term may be extended.<sup>19</sup>"

- (ii) omit "After the fixed rate period, if the variable interest rate was to increase by 1% per annum, from the current variable interest rate of [variable interest rate], your monthly repayment would increase by around **[change in repayment]**.<sup>18</sup>", substitute "After the fixed rate period, if the variable interest rate was to increase by 1% per annum, from the current variable interest rate of [variable interest rate], in most circumstances your monthly repayment would not change, however, your loan term may be extended.<sup>18</sup>";
- (e) in the part entitled "FURTHER INFORMATION ABOUT THIS KEY FACTS SHEET" omit:
- “• the amount of the repayments shown in this Key Fact Sheet will change if interest rates, fees and charges change and if a different loan type, loan term or loan amount is used.”,
- substitute:
- “• the amount of the repayments shown in this Key Fact Sheet will change if fees and charges change and if a different loan type or loan amount is used.
  - the loan term in this Key Facts Sheet will change if interest rates or the rate of inflation changes. For example, if interest rates were to increase and the rate of inflation remained the same the loan term would be extended. Conversely, if the rate of inflation were to increase and interest rates remained the same the loan term would be reduced.”.

### Interpretation

5. In this instrument:

**HomeStart Finance** means the statutory corporation established under the former *Housing and Urban Development (Administrative Arrangements) (HomeStart Finance) Regulations 1995* of South Australia pursuant to the *Housing and Urban Development (Administrative Arrangements) Act 1995* of South Australia, and continued in existence under the *Housing and Urban Development (Administrative Arrangements) (HomeStart Finance) Regulations 2007* of South Australia.

Dated this 1<sup>st</sup> day of June 2012



Signed by Emily Newman  
as a delegate of the Australian Securities and Investments Commission