



## ***ASIC defers mortgage broker reforms and design and distribution obligations due to COVID-19***

**Source:** [Australian Securities Investments Commission](#) (ASIC)

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**Abstract:**

The Australian Securities and Investments Commission (ASIC) has [announced](#) a deferral of the mortgage broker reforms and design and distribution obligations for six months from their original commencement dates, given the significant impact of COVID-19 on the Australian economy, especially on the financial system and consumers.

The mortgage broker reforms were slated to start on 1 July 2020, and will now start on 1 January 2021. These reforms, which were legislated in response to Recommendations 1.2 and 1.3 of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, were discussed in our [previous legal update](#).

The design and distribution obligations were due to start on 5 April 2021, following a two-year transition period. These will now start on 5 October 2021.

A copy of ASIC's media release is available [here](#).