

Consumer Credit Act 1974

CHAPTER 39

CONSUMER CREDIT ACT 1974

PART I

DIRECTOR GENERAL OF FAIR TRADING

- 1 General functions of Director
- 2 Powers of Secretary of State
- 3 Supervision by Council on Tribunals
- 4 Dissemination of information and advice
- 5 Annual and other Reports
- 6 Form etc. of applications
- 7 Penalty for false information

PART II

CREDIT AGREEMENTS, HIRE AGREEMENTS AND LINKED TRANSACTIONS

- 8 Consumer credit agreements
- 9 Meaning of credit
- 10 Running-account credit and fixed-sum credit
- 11 Restricted-use credit and unrestricted-use credit
- 12 Debtor-creditor-supplier agreements
- 13 Debtor-creditor agreements
- 14 Credit-token agreements
- 15 Consumer hire agreements
- 16 Exempt agreements
- 17 Small agreements
- 18 Multiple agreements
- 19 Linked transactions
- 20 Total charge for credit

PART III

LICENSING OF CREDIT AND HIRE BUSINESSES

Licensing principles

- 21 Businesses needing a licence
- 22 Standard and group licences
- 23 Authorisation of specific activities
- 24 Control of name of business
- 25 Licensee to be a fit person
- 26 Conduct of business

Issue of licences

- 27 Determination of applications
- 28 Exclusion from group licence

Renewal, variation, suspension and revocation of licences

- 29 Renewal
- 30 Variation by request
- 31 Compulsory variation
- 32 Suspension and revocation
- 33 Application to end suspension

Miscellaneous

- 34 Representations to Director
- 35 The register
- 36 Duty to notify changes
- 37 Death, bankruptcy etc. of licencee
- 38 Application of s. 37 to Scotland and Northern Ireland
- 39 Offences against Part III
- 40 Enforcement of agreements made by unlicensed trader
- 41 Appeals to Secretary of State under Part III
- 42 Further appeal on point of law

PART IV

SEEKING BUSINESS

Advertising

- 43 Advertisements to which Part IV applies
- 44 Form and content of advertisements
- 45 Prohibition of advertisement where goods etc. not sold for cash
- 46 False or misleading advertisements
- 47 Advertising infringements

Canvassing etc.

- 48 Definition of canvassing off trade premises (regulated agreements.)
- 49 Prohibition of canvassing debtor-creditor agreements off trade premises
- 50 Circulars to minors
- 51 Prohibition of unsolicited credit-tokens

Miscellaneous

- 52 Quotations
- 53 Duty to display information
- 54 Conduct of business regulations

PART V

ENTRY INTO CREDIT OR HIRE AGREEMENTS

Preliminary matters

- 55 Disclosure of information
- 56 Antecedent negotiations
- 57 Withdrawal from prospective agreement
- 58 Opportunity for withdrawal from prospective land mortgage
- 59 Agreement to enter future agreement void

Making the agreement

- 60 Form and content of agreements
- 61 Signing of agreement
- 62 Duty to supply copy of unexecuted agreement
- Duty to supply copy of executed agreement
- Duty to give notice of cancellation rights
- 65 Consequences of improper execution
- 66 Acceptance of credit-tokens

Cancellation of certain agreements within cooling-off period

- 67 Cancellable agreements
- 68 Cooling-off period
- 69 Notice of cancellation
- 70 Cancellation: recovery of money paid by debtor or hirer
- 71 Cancellation: repayment of credit
- 72 Cancellation: return of goods
- 73 Cancellation: goods given in part-exchange

Exclusion of certain agreements from Part V

74 Exclusion of certain agreements from Part V

PART VI

MATTERS ARISING DURING CURRENCY OF CREDIT OR HIRE AGREEMENTS

- 75 Liability of creditor for breaches by supplier
- 76 Duty to give notice before taking certain action
- 77 Duty to give information to debtor under fixed-sum credit agreement
- 78 Duty to give information to debtor under running-account credit agreement
- 79 Duty to give hirer information
- 80 Debtor or hirer to give information about goods
- 81 Appropriation of payments
- 82 Variation of agreements
- 83 Liability for misuse of credit facilities
- 84 Misuse of credit-tokens

- 85 Duty on issue of new credit-tokens
- 86 Death of debtor or hirer

PART VII

DEFAULT AND TERMINATION

Default notices

- 87 Need for default notice
- 88 Contents and effect of default notice
- 89 Compliance with default notice

Further restriction of remedies for default

- 90 Retaking of protected hire-purchase etc. goods
- 91 Consequences of breach of s. 90
- 92 Recovery of possession of goods or land
- 93 Interest not to be increased on default

Early payment by debtor

- 94 Right to complete payments ahead of time
- 95 Rebate on early settlement
- 96 Effect on linked transactions
- 97 Duty to give information

Termination of agreements

- 98 Duty to give notice of termination (non-default cases)
- 99 Right to terminate hire-purchase etc. agreements
- 100 Liability of debtor on termination of hire-purchase etc agreement
- 101 Right to terminate hire agreement
- 102 Agency for receiving notice of rescission
- 103 Termination statements
- Goods not to be treated as subject to landlord's hypothec in Scotland

PART VIII

SECURITY

General

- Form and content of securities
- 106 Ineffective securities
- 107 Duty to give information to surety under fixed-sum credit agreement
- Duty to give information to surety under running-account credit agreement
- 109 Duty to give information to surety under consumer hire agreement
- 110 Duty to give information to debtor or hirer
- 111 Duty to give surety copy of default etc. notice
- 112 Realisation of securities
- 113 Act not to be evaded by use of security

Pledges

- 114 Pawn-receipts
- Penalty for failure to supply copies of pledge agreement etc.

116 117 118 119 120 121 122	Redemption period Redemption procedure Loss etc. of pawn-receipt Unreasonable refusal to deliver pawn Consequence of failure to redeem Realisation of pawn Order in Scotland to deliver pawn
	Negotiable instruments
123 124 125	Restrictions on taking and negotiating instruments Consequences of breach of s. 123 Holders in due course
	Land mortgages
126	Enforcement of land mortgages
	PART IX
	JUDICIAL CONTROL
	Enforcement of certain regulated agreements and securities
127 128	Enforcement orders in cases of infringement Enforcement orders on death of debtor or hirer
	Extension of time
129 130	Time orders Supplemental provisions about time orders
	Protection of property pending proceedings
131	Protection orders
	Hire and hire-purchase etc. agreements
132	Financial relief for hirer
133 134	Hire-purchase etc. agreements: special powers of court Evidence of adverse detention in hire purchase etc. cases
	Supplemental provisions as to orders
135 136	Power to impose conditions, or suspend operation of order Power to vary agreements and securities
	Extortionate credit bargains
137 138 139 140	Extortionate credit bargains When bargains are extortionate Reopening of extortionate agreements Interpretation of sections 137 to 139
	Miscellaneous
141 142	Jurisdiction and parties Power to declare rights of parties

	Northern Ireland
143 144	Jurisdiction of county court in Northern Ireland Appeal from county court in Northern Ireland
	PART X
	ANCILLARY CREDIT BUSINESSES
	Definitions
145 146	Types of ancillary credit business Exceptions from section 145
	Licensing
147 148 149	Application of Part III Agreement for services of unlicensed trader Regulated agreements made on introductions by unlicensed credit- broker
150	Appeals to Secretary of State against licensing decisions
	Seeking business
151 152 153 154	Advertisements Application of sections 52 to 54 to credit brokerage etc. Definition of canvassing off trade premises (agreements for ancillary credit services) Prohibition of canvassing certain ancillary credit services off trade premises
155	Right to recover brokerage fees
	Entry into agreements
156	Entry into agreements
	Credit reference agencies
157 158 159 160	Duty to disclose name etc. of agency Duty of agency to disclose filed information Correction of wrong information Alternative procedure for business consumers
	PART XI
	ENEOD CEMENT OF A CT

ENFORCEMENT OF ACT

161	Enforcement	authorities
101	Emorcement	aumornies

- 162 Powers of entry and inspection
- 163 Compensation for loss
- 164 Power to make test purchases etc.
- Obstruction of authorised officers
- 166 Notification of convictions and judgments to Director
- 167 Penalties
- 168 Defences
- 169 Offences by bodies corporate
- 170 No further sanctions for breach of Act
- 171 Onus of proof in various proceedings

172 173	Statements by creditor or owner to be binding Contracting-out forbidden
	PART XII
	SUPPLEMENTAL
174 175 176 177 178	Restrictions on disclosure of information Duty of persons deemed to be agents Service of documents Saving for registered charges Local Acts
	Regulations, orders, etc.
179 180 181 182 183	Power to prescribe form etc. of secondary documents Power to prescribe form etc. of copies Power to alter monetary limits etc. Regulations and orders Determinations etc. by Director
	Interpretation
184 185 186 187 188 189 190 191 192 193	Associates Agreement with more than one debtor or hirer Agreement with more than one creditor or owner Arrangements between creditor and supplier Examples of use of new terminology Definitions Financial provisions Special provisions as to Northern Ireland Transitional and commencement provisions, amendments and repeals Short title and extent
	SCHEDULES

SCHEDULE 1 — Prosecution and Punishment of Offences

SCHEDULE 2 — Examples of Use of New Terminology PART I — LIST OF TERMS

PART II — EXAMPLES

EXAMPLE 1

EXAMPLE 2

EXAMPLE 3

EXAMPLE 4

EXAMPLE 5

EXAMPLE 6

EXAMPLE 7

EXAMPLE 8

EXAMPLE 9

EXAMPLE 10

EXAMPLE 11

EXAMPLE 12

EXAMPLE 13

EXAMPLE 14

EXAMPLE 15

EXAMPLE 16

EXAMPLE 17

EXAMPLE 18

EXAMPLE 19

EXAMPLE 20

PART II OF ACT — CREDIT AGREEMENTS, HIRE AGREEMENTS AND LINKED TRANSACTIONS

PART III OF ACT — LICENSING OF CREDIT AND HIRE BUSINESSES

PART IV OF ACT — SEEKING BUSINESS

PART V OF ACT — ENTRY INTO CREDIT OR HIRE AGREEMENTS

PART VI OF ACT — MATTERS ARISING DURING CURRENCY OF CREDIT OR HIRE AGREEMENTS

PART VII OF ACT — DEFAULT AND TERMINATION

PART III OF ACT — SECURITY

PART IX OF ACT — JUDICIAL CONTROL

PART X OF ACT — ANCILLARY CREDIT BUSINESSES

PART XII OF ACT — SUPPLEMENTAL

SCHEDULE 4 — Minor and Consequential Amendments

PART I — UNITED KINGDOM

Bills of Sale Act (1878) Amendment Act 1882

1 The following section shall be inserted after section 7— Defaults...

Factors Act 1889

2 At the end of section 9 insert—For the purposes...

Sale of Goods Act 1893

- 3 In section 14 (as substituted by section 3 of the...
- 4 In section 25, at the end of subsection (2) insert—...

Law of Distress Amendment Act 1908

5 The following section shall be inserted after section 4— Hire...

Bankruptcy Act 1914

6 The following section shall be inserted after section 38— Hire...

Compensation (Defence) Act 1939

- 7 In section 13 after "hire-purchase agreement" insert "or...
- 8 In section 17(1)—(1) After the definition of "aircraft...

Liability for War Damage (Miscellaneous Provisions) Act 1939

9 In section 1(3), for paragraphs (a) and (b) substitute—

Agriculture (Miscellaneous Provisions) Act 1950

10 For section 1(4) substitute— (4) A person in possession of...

Rag Flock and Other Filling Materials Act 1951

11 For section 10(7) substitute—(7) References in this section to...

Reserve and Auxiliary Forces (Protection of Civil Interest) Act 1951

- 12 In section 4 for subsections (4), (5) and (6), substitute—...
- 13 For section 10 substitute—Property in goods subject to hire-purchase...

In section 64(1)— (1) after the definition of "compulsory...

Clean Air Act 1956

- 15 In section 14 for the words " a hire-purchase agreement...
- 16 In section 34(1)— (a) after the definition of "chimney...

Restrictive Trade Practices Act 1956

17 For section 26(3) substitute—(3) In this Part of this...

Housing Act 1957

18 For section 94 substitute—Power to provide furniture. A local authority may fit out, furnish and supply any...

County Courts Act 1959

19 At the end of section 192(2)(c) insert—

Consumer Protection Act 1961

- 20 In section 2, for subsection (6) substitute—
- 21 In section 5—(1) After the definition of "component...

Hire Purchase Act 1964

22 For Part III substitute the following (which reproduces the existing...

Emergency Laws (Re-enactment and Repeals) Act 1964

23 In section 1—(1) In subsection (1) for "or...

Trading Stamps Act 1964

- 24 In section 2, for subsection (1) substitute—
- 25 In section 3, for subsection (4) substitute—
- 26 In section 10(1)—(1) after the definition of "cash...

Housing (Scotland) Act 1966

27 In section 140(2), for the words from " as defined"...

Trade Descriptions Act 1968

28 In section 28, insert the following new subsection after subsection...

Income and Corporation Taxes Act 1970

29 In section 495, for subsection (7) substitute—

Administration of Justice Act 1970

- 30 After section 38 insert the following new section— This Part of this Act shall not apply to a...
- 31 In section 54(6)(c) after "36" insert "38A...

Vehicles (Excise) Act 1971

32 In section 38(1)—(1) before the definition of "gas...

Industry Act 1972

33 In section 6(2)—(1) After the definition of "" capital...

Counter-Inflation Act 1973

34 In section 21(5)—(a) for "total purchase price or...

Supply of Goods (Implied Terms) Act 1973

- 35 For sections 8 to 12 substitute the following sections (which...
- 36 For sections 14 and 15 substitute the following sections (which...

Fair Trading Act 1973

37 For section 138(5) substitute— (5) In subsection (4) of this... PART II — NORTHERN IRELAND

Irish Bankrupt and Insolvent Act 1857

38 The following section shall be inserted after section 313— Hire-purchase...

Bills of Sale (Ireland) Act (1879) Amendment Act 1883

39 The following section shall be inserted after section 7:— Defaults...

Liability for War Damage (Miscellaneous Provisions) Act (Northern Ireland) 1939

40 In section 1(3), for paragraph (a) and (b) substitute—

Clean Air Act (Northern Ireland) 1964

- 41 In section 14(4) for "a hire-purchase agreement for the...
- 42 In section 43(1)—(a) after the definition of "chimney...

Trading Stamps Act (Northern Ireland) 1965

- 43 In section 2, for subsection (1) substitute—
- 44 In section 3, for subsection (4) substitute—
- 45 In section 9— (1) after the definition of " cash...

Consumer Protection Act (Northern Ireland) 1965

- 46 In section 2, for subsections (5) and (6) substitute—
- 47 In section 5— (1) after the definition of "component...

Industrial Investment (General Assistance) Act (Northern Ireland) 1966

48 In section 14(1)—(1) after the definition of "computer...

Hire-Purchase Act (Northern Ireland) 1966

49 For Part VI substitute the following (which reproduces the existing...

Vehicles (Excise) Act (Northern Ireland) 1972

In section 35(1)—(a) before the definition of "gas... 50

Miscellaneous Transferred Excise Duties Act (Northern Ireland) 1972

51 In section 1(2) for "VII" where first occurring substitute "...

SCHEDULE 5 — Repeals PART I — UNITED KINGDOM

PART II — NORTHERN IRELAND