



# Consumer Credit Act 1974

## 1974 CHAPTER 39

### PART V

#### ENTRY INTO CREDIT OR HIRE AGREEMENTS

##### *Making the agreement*

#### **60 Form and content of agreements.**

- (1) The [<sup>F1</sup>Treasury] shall make regulations as to the form and content of documents embodying regulated agreements, and the regulations shall contain such provisions as appear to [<sup>F2</sup>them] appropriate with a view to ensuring that the debtor or hirer is made aware of—
  - (a) the rights and duties conferred or imposed on him by the agreement,
  - (b) the amount and rate of the total charge for credit (in the case of a consumer credit agreement),
  - (c) the protection and remedies available to him under this Act, and
  - (d) any other matters which, in the opinion of the [<sup>F1</sup>Treasury], it is desirable for him to know about in connection with the agreement.
- (2) Regulations under subsection (1) may in particular—
  - (a) require specified information to be included in the prescribed manner in documents, and other specified material to be excluded;
  - (b) contain requirements to ensure that specified information is clearly brought to the attention of the debtor or hirer, and that one part of a document is not given insufficient or excessive prominence compared with another.
- (3) If, on an application made to the [<sup>F3</sup>FCA] by a person carrying on a consumer credit business or a consumer hire business, it appears to the [<sup>F3</sup>FCA] impracticable for the applicant to comply with any requirement of regulations under subsection (1) in a particular case, [<sup>F4</sup>it] may, by notice to the applicant direct that the requirement be waived or varied in relation to such agreements, and subject to such conditions (if any), as [<sup>F4</sup>it] may specify, and this Act and the regulations shall have effect accordingly.

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(4) The [F5FCA] shall give a notice under subsection (3) only if [F4it] is satisfied that to do so would not prejudice the interests of debtors or hirers.

[F6(5) An application may be made under subsection (3) only if it relates to—

- (a) a consumer credit agreement secured on land,
- (b) a consumer credit agreement under which a person takes an article in pawn,
- (c) a consumer credit agreement under which the creditor provides the debtor with credit which exceeds £60,260 [F7and which is not a residential renovation agreement] ,
- (d) a consumer credit agreement entered into by the debtor wholly or predominantly for the purposes of a business carried on, or intended to be carried on, by him, or
- (e) a consumer hire agreement.

[F8(6) Article 60C(5) and (6) of the Regulated Activities Order applies for the purposes of subsection (5)(d).]

#### Textual Amendments

- F1** Words in s. 60(1) substituted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services Act 2012 \(Consumer Credit\) Order 2013 \(S.I. 2013/1882\)](#), arts. 1(1), [7\(3\)\(a\)\(i\)](#)
- F2** Word in s. 60(1) substituted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services Act 2012 \(Consumer Credit\) Order 2013 \(S.I. 2013/1882\)](#), arts. 1(1), [7\(3\)\(a\)\(ii\)](#)
- F3** Word in s. 60(3) substituted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services Act 2012 \(Consumer Credit\) Order 2013 \(S.I. 2013/1882\)](#), arts. 1(1), [7\(3\)\(b\)](#)
- F4** Words in s. 60(3)(4) substituted (1.4.2003) by [Enterprise Act 2002 \(c. 40\)](#), ss. 278, 279, [Sch. 25 para. 6\(23\)](#); S.I. 2003/766, [art. 2](#), [Sch.](#) (with art. 3)
- F5** Word in s. 60(4) substituted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services Act 2012 \(Consumer Credit\) Order 2013 \(S.I. 2013/1882\)](#), arts. 1(1), [7\(3\)\(c\)](#)
- F6** S. 60(5)(6) inserted (1.2.2011) by [The Consumer Credit \(EU Directive\) Regulations 2010 \(S.I. 2010/1010\)](#), [regs. 7, 99\(1\)](#) (with regs. 100, 101)
- F7** Words in s. 60(5)(c) inserted (20.4.2015 for specified purposes, 21.12.2015 for specified purposes) by [The Mortgage Credit Directive Order 2015 \(S.I. 2015/910\)](#), art. 1(5), [Sch. 1 para. 2\(4\)](#) (with Pt. 4)
- F8** S. 60(6) substituted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2013 \(S.I. 2013/1881\)](#), arts. 1(2)(6), [20\(24\)](#)

#### Modifications etc. (not altering text)

- C1** S. 60 excluded (E.W.S.) (15.7.2014) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Green Deal\) \(Amendment\) Order 2014 \(S.I. 2014/1850\)](#), arts. 1(2), [12\(2\)](#) (with art. 1(3))

## 61 Signing of agreement.

(1) A regulated agreement is not properly executed unless—

- (a) a document in the prescribed form itself containing all the prescribed terms and conforming to regulations under section 60(1) is signed in the prescribed

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- manner both by the debtor or hirer and by or on behalf of the creditor or owner, and
- (b) the document embodies all the terms of the agreement, other than implied terms, and
  - (c) the document is, when presented or sent to the debtor or hirer for signature, in such a state that all its terms are readily legible.
- (2) In addition, where the agreement is one to which section 58(1) applies, it is not properly executed unless—
- (a) the requirements of section 58(1) were complied with, and
  - (b) the unexecuted agreement was sent, for his signature, to the debtor or hirer [<sup>F9</sup>by an appropriate method] not less than seven days after a copy of it was given to him under section 58(1), and
  - (c) during the consideration period, the creditor or owner refrained from approaching the debtor or hirer (whether in person, by telephone or letter, or in any other way) except in response to a specific request made by the debtor or hirer after the beginning of the consideration period, and
  - (d) no notice of withdrawal by the debtor or hirer was received by the creditor or owner before the sending of the unexecuted agreement.
- (3) In subsection (2)(c), “the consideration period ” means the period beginning with the giving of the copy under section 58(1) and ending—
- (a) at the expiry of seven days after the day on which the unexecuted agreement is sent, for his signature, to the debtor or hirer, or
  - (b) on its return by the debtor or hirer after signature by him,
- whichever first occurs.
- (4) Where the debtor or hirer is a partnership or an unincorporated body of persons, subsection (1)(a) shall apply with the substitution for “by the debtor or hirer ” of “by or on behalf of the debtor or hirer ”.

#### Textual Amendments

**F9** Words in s. 61(2)(b) substituted (31.12.2004) by [The Consumer Credit Act 1974 \(Electronic Communications\) Order 2004 \(S.I. 2004/3236\)](#), **art. 2(2)**

#### Modifications etc. (not altering text)

**C2** [S. 61](#) excluded (E.W.S.) (15.7.2014) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Green Deal\) \(Amendment\) Order 2014 \(S.I. 2014/1850\)](#), arts. 1(2), **12(2)** (with art. 1(3))

### <sup>F10</sup>61A Duty to supply copy of executed consumer credit agreement

- (1) Where a regulated consumer credit agreement, other than an excluded agreement, has been made, the creditor must give a copy of the executed agreement, and any other document referred to in it, to the debtor.
- (2) Subsection (1) does not apply if—
- (a) a copy of the unexecuted agreement (and of any other document referred to in it) has already been given to the debtor, and
  - (b) the unexecuted agreement is in identical terms to the executed agreement.

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- (3) In a case referred to in subsection (2), the creditor must inform the debtor in writing—
- (a) that the agreement has been executed,
  - (b) that the executed agreement is in identical terms to the unexecuted agreement a copy of which has already been given to the debtor, and
  - (c) that the debtor has the right to receive a copy of the executed agreement if the debtor makes a request for it at any time before the end of the period referred to in section 66A(2).
- (4) Where a request is made under subsection (3)(c) the creditor must give a copy of the executed agreement to the debtor without delay.
- (5) If the requirements of this section are not observed, the agreement is not properly executed.
- (6) For the purposes of this section, an agreement is an excluded agreement if it is—
- (a) a cancellable agreement, or
  - (b) an agreement—
    - (i) secured on land,
    - (ii) under which the creditor provides the debtor with credit which exceeds £60,260, or
    - (iii) entered into by the debtor wholly or predominantly for the purposes of a business carried on, or intended to be carried on, by him,
 unless the creditor or a credit intermediary has complied with or purported to comply with regulation 3(2) of the Consumer Credit (Disclosure of Information) Regulations 2010.
- [ An agreement is not an excluded agreement by virtue of subsection (6)(b)(ii) if it is <sup>F11</sup>(6A) a residential renovation agreement.]
- [<sup>F12</sup>(7) Article 60C(5) and (6) of the Regulated Activities Order applies for the purposes of subsection (6)(b)(iii).
- (8) In this section, “credit intermediary” means a person who in the course of business—
- (a) carries on any of the activities specified in article 36A(1)(d) to (f) of the Regulated Activities Order for a consideration that is or includes a financial consideration, and
  - (b) does not do so as a creditor.]]

#### Textual Amendments

- F10** S. 61A inserted (1.2.2011) by [The Consumer Credit \(EU Directive\) Regulations 2010 \(S.I. 2010/1010\)](#), [regs. 8, 99\(1\)](#) (with [regs. 100, 101](#))
- F11** S. 61A(6A) inserted (20.4.2015 for specified purposes, 21.12.2015 for specified purposes) by [The Mortgage Credit Directive Order 2015 \(S.I. 2015/910\)](#), [art. 1\(5\)](#), [Sch. 1 para. 2\(5\)](#) (with [Pt. 4](#))
- F12** S. 61A(7)(8) substituted for s. 61A(7) (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2013 \(S.I. 2013/1881\)](#), [arts. 1\(2\)\(6\)](#), [20\(25\)](#)

#### Modifications etc. (not altering text)

- C3** S. 61A excluded (15.7.2014) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Green Deal\) \(Amendment\) Order 2014 \(S.I. 2014/1850\)](#), [arts. 1\(2\)](#), [12\(2\)](#) (with [art. 1\(3\)](#))

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### [<sup>F13</sup>61B Duty to supply copy of overdraft agreement

- (1) Where an authorised business overdraft agreement or an authorised non-business overdraft agreement has been made, a document containing the terms of the agreement must be given to the debtor.
- (2) The creditor must provide the document referred to in subsection (1) to the debtor before or at the time the agreement is made unless—
  - (a) the creditor has provided the debtor with the information referred to in regulation 10(3) of the Consumer Credit (Disclosure of Information) Regulations 2010, in which case it may be provided after the agreement is made,
  - (b) the creditor has provided the debtor with the information referred to in regulation 10(3)(c), (e), (f), (h) and (k) of those Regulations, in which case it must be provided immediately after the agreement is made, or
  - (c) the agreement is an agreement of a description referred to in regulation 10(4)(b) of those Regulations, in which case it must be provided immediately after the agreement is made.
- (3) If the requirements of this section are not observed, the agreement is enforceable against the debtor on an order of the court only (and for these purposes a retaking of goods or land to which the agreement relates is an enforcement of the agreement).]

#### Textual Amendments

- F13** S. 61B inserted (1.2.2011) by [The Consumer Credit \(EU Directive\) Regulations 2010 \(S.I. 2010/1010\)](#), [regs. 9, 99\(1\)](#) (with [regs. 100, 101](#)) (as amended by [The Consumer Credit \(Amendment\) Regulations 2010 \(S.I. 2010/1969\)](#), [reg. 7](#))

### 62 Duty to supply copy of unexecuted agreement [<sup>F14</sup>: excluded agreements].

- (1) If [<sup>F15</sup>in the case of a regulated agreement which is an excluded agreement] the unexecuted agreement is presented personally to the debtor or hirer for his signature, but on the occasion when he signs it the document does not become an executed agreement, a copy of it, and of any other document referred to in it, must be there and then delivered to him.
- (2) If the unexecuted agreement is sent to the debtor or hirer for his signature, a copy of it, and of any other document referred to in it, must be sent to him at the same time.
- (3) A regulated agreement [<sup>F16</sup>which is an excluded agreement] is not properly executed if the requirements of this section are not observed.

[<sup>F17</sup>(4) In this section, “excluded agreement” has the same meaning as in section 61A.]

#### Textual Amendments

- F14** S. 62 heading: words inserted (1.2.2011) by [The Consumer Credit \(EU Directive\) Regulations 2010 \(S.I. 2010/1010\)](#), [regs. 10\(a\), 99\(1\)](#) (with [regs. 100, 101](#))
- F15** Words in s. 62(1) inserted (1.2.2011) by [The Consumer Credit \(EU Directive\) Regulations 2010 \(S.I. 2010/1010\)](#), [regs. 10\(b\), 99\(1\)](#) (with [regs. 100, 101](#))
- F16** Words in s. 62(3) inserted (1.2.2011) by [The Consumer Credit \(EU Directive\) Regulations 2010 \(S.I. 2010/1010\)](#), [regs. 10\(c\), 99\(1\)](#) (with [regs. 100, 101](#))

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**F17** S. 62(4) inserted (1.2.2011) by [The Consumer Credit \(EU Directive\) Regulations 2010 \(S.I. 2010/1010\)](#), [regs. 10\(d\)](#), [99\(1\)](#) (with [regs. 100](#), [101](#))

**Modifications etc. (not altering text)**

**C4** S. 62 excluded (E.W.S.) (15.7.2014) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Green Deal\) \(Amendment\) Order 2014 \(S.I. 2014/1850\)](#), [arts. 1\(2\)](#), [12\(2\)](#) (with [art. 1\(3\)](#))

**63 Duty to supply copy of executed agreement [<sup>F18</sup>: excluded agreements].**

- (1) If [<sup>F19</sup>in the case of a regulated agreement which is an excluded agreement] the unexecuted agreement is presented personally to the debtor or hirer for his signature, and on the occasion when he signs it the document becomes an executed agreement, a copy of the executed agreement, and of any other document referred to in it, must be there and then delivered to him.
- (2) A copy of the executed agreement, and of any other document referred to in it, must be given to the debtor or hirer within the seven days following the making of the agreement unless—
  - (a) subsection (1) applies, or
  - (b) the unexecuted agreement was sent to the debtor or hirer for his signature and, on the occasion of his signing it, the document became an executed agreement.
- (3) In the case of a cancellable agreement, a copy under subsection (2) must be sent [<sup>F20</sup>by an appropriate method] .
- (4) In the case of a credit-token agreement, a copy under subsection (2) need not be given within the seven days following the making of the agreement if it is given before or at the time when the credit-token is given to the debtor.
- (5) A regulated agreement [<sup>F21</sup>which is an excluded agreement] is not properly executed if the requirements of this section are not observed.

[<sup>F22</sup>(6) In this section, “excluded agreement” has the same meaning as in section 61A.]

**Textual Amendments**

- F18** S. 63 heading: words inserted (1.2.2011) by [The Consumer Credit \(EU Directive\) Regulations 2010 \(S.I. 2010/1010\)](#), [regs. 11\(a\)](#), [99\(1\)](#) (with [regs. 100](#), [101](#))
- F19** Words in s. 63(1) inserted (1.2.2011) by [The Consumer Credit \(EU Directive\) Regulations 2010 \(S.I. 2010/1010\)](#), [regs. 11\(b\)](#), [99\(1\)](#) (with [regs. 100](#), [101](#))
- F20** Words in s. 63(3) substituted (31.12.2004) by [The Consumer Credit Act 1974 \(Electronic Communications\) Order 2004 \(S.I. 2004/3236\)](#), [art. 2\(3\)](#)
- F21** Words in s. 63(5) inserted (1.2.2011) by [The Consumer Credit \(EU Directive\) Regulations 2010 \(S.I. 2010/1010\)](#), [regs. 11\(c\)](#), [99\(1\)](#) (with [regs. 100](#), [101](#))
- F22** S. 63(6) inserted (1.2.2011) by [The Consumer Credit \(EU Directive\) Regulations 2010 \(S.I. 2010/1010\)](#), [regs. 11\(d\)](#), [99\(1\)](#) (with [regs. 100](#), [101](#))

**Modifications etc. (not altering text)**

**C5** S. 63 excluded (E.W.S.) (15.7.2014) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Green Deal\) \(Amendment\) Order 2014 \(S.I. 2014/1850\)](#), [arts. 1\(2\)](#), [12\(2\)](#) (with [art. 1\(3\)](#))

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## 64 Duty to give notice of cancellation rights.

- (1) In the case of a cancellable agreement, a notice in the prescribed form indicating the right of the debtor or hirer to cancel the agreement, how and when that right is exercisable, and the name and address of a person to whom notice of cancellation may be given,—
  - (a) must be included in every copy given to the debtor or hirer under section 62 or 63, and
  - (b) except where section 63(2) applied, must also be sent [<sup>F23</sup>by an appropriate method] to the debtor or hirer within the seven days following the making of the agreement.
- (2) In the case of a credit-token agreement, a notice under subsection (1)(b) need not be sent [<sup>F23</sup>by an appropriate method] within the seven days following the making of the agreement if either—
  - (a) it is sent [<sup>F23</sup>by an appropriate method] to the debtor or hirer before the credit-token is given to him, or
  - (b) it is sent [<sup>F23</sup>by an appropriate method] to him together with the credit-token.
- (3) Regulations may provide that except where section 63(2) applied a notice sent under subsection (1)(b) shall be accompanied by a further copy of the executed agreement, and of any other document referred to in it.
- (4) Regulations may provide that subsection (1)(b) is not to apply in the case of agreements such as are described in the regulations, being agreements made by a particular person, if—
  - (a) on an application by that person to the [<sup>F24</sup>FCA], the [<sup>F24</sup>FCA] has determined that, having regard to—
    - (i) the manner in which antecedent negotiations for agreements with the applicant of that description are conducted, and
    - (ii) the information provided to debtors or hirers before such agreements are made,the requirement imposed by subsection (1)(b) can be dispensed with without prejudicing the interests of debtors or hirers; and
  - (b) any conditions imposed by the [<sup>F24</sup>FCA] in making the determination are complied with.
- (5) A cancellable agreement is not properly executed if the requirements of this section are not observed.

### Textual Amendments

**F23** Words in s. 64 substituted (31.12.2004) by [The Consumer Credit Act 1974 \(Electronic Communications\) Order 2004 \(S.I. 2004/3236\)](#), **art. 2(4)**

**F24** Word in s. 64(4) substituted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services Act 2012 \(Consumer Credit\) Order 2013 \(S.I. 2013/1882\)](#), **arts. 1(1), 7(4)**

### Modifications etc. (not altering text)

**C6** [S. 64](#) excluded (E.W.S.) (15.7.2014) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Green Deal\) \(Amendment\) Order 2014 \(S.I. 2014/1850\)](#), **arts. 1(2), 12(2)** (with [art. 1\(3\)](#))

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## 65 Consequences of improper execution.

- (1) An improperly-executed regulated agreement is enforceable against the debtor or hirer on an order of the court only.
- (2) A retaking of goods or land to which a regulated agreement relates is an enforcement of the agreement.

### Modifications etc. (not altering text)

C7 S. 65 excluded (E.W.S.) (15.7.2014) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Green Deal\) \(Amendment\) Order 2014 \(S.I. 2014/1850\)](#), arts. 1(2), **12(2)** (with art. 1(3))

## 66 Acceptance of credit-tokens.

- (1) The debtor shall not be liable under a credit-token agreement for use made of the credit-token by any person unless the debtor had previously accepted the credit-token, or the use constituted an acceptance of it by him.
- (2) The debtor accepts a credit-token when—
  - (a) it is signed, or
  - (b) a receipt for it is signed, or
  - (c) it is first used,
 either by the debtor himself or by a person who, pursuant to the agreement, is authorised by him to use it.

### Modifications etc. (not altering text)

C8 S. 66 applied (1.11.2009) by [The Payment Services Regulations 2009 \(S.I. 2009/209\)](#), regs. 1(2)(c), **52(b)** (with reg. 3)



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