



Consumer Credit Act 1974

1974 CHAPTER 39

PART XII

SUPPLEMENTAL

Interpretation

184 Associates

- (1) A person is an associate of an individual if that person is the individual's husband or wife, or is a relative, or the husband or wife of a relative, of the individual or of the individual's husband or wife.
- (2) A person is an associate of any person with whom he is in partnership, and of the husband or wife or a relative of any individual with whom he is in partnership.
- (3) A body corporate is an associate of another body corporate—
 - (a) if the same person is a controller of both, or a person is a controller of one and persons who are his associates, or he and persons who are his associates, are controllers of the other ; or
 - (b) if a group of two or more persons is a controller of each company, and the groups either consist of the same persons or could be regarded as consisting of the same persons by treating (in one or more cases) a member of either group as replaced by a person of whom he is an associate.
- (4) A body corporate is an associate of another person if that person is a controller of it or if that person and persons who are his associates together are controllers of it.
- (5) In this section " relative" means brother, sister, uncle, aunt, nephew, niece, lineal ancestor or lineal descendant, and references to a husband or wife include a former husband or wife and a reputed husband or wife; and for the purposes of this subsection a relationship shall be established as if any illegitimate child, step-child or adopted child of a person had been a child born to him in wedlock.

Status: This is the original version (as it was originally enacted).

185 Agreement with more than one debtor or hirer

- (1) Where an actual or prospective regulated agreement has two or more debtors or hirers (not being a partnership or an unincorporated body of persons)—
 - (a) anything required by or under this Act to be done to or in relation to the debtor or hirer shall be done to or in relation to each of them ; and
 - (b) anything done under this Act by or on behalf of one of them shall have effect as if done by or on behalf of all of them.
- (2) Notwithstanding subsection (1)(a), where running-account credit is provided to two or more debtors jointly, any of them may by a notice signed by him (a " dispensing notice ") authorise the creditor not to comply in his case with section 78(4) (giving of periodical statement of account); and the dispensing notice shall have effect accordingly until revoked by a further notice given by the debtor to the creditor:

Provided that:
 - (a) a dispensing notice shall not take effect if previous dispensing notices are operative in the case of the other debtor, or each of the other debtors, as the case may be;
 - (b) any dispensing notices operative in relation to an agreement shall cease to have effect if any of the debtors dies.
- (3) Subsection (1)(b) does not apply for the purposes of section 61(1)(a) or 127(3).
- (4) Where a regulated agreement has two or more debtors or hirers (not being a partnership or an unincorporated body of persons), section 86 applies to the death of any of them.
- (5) An agreement for the provision of credit, or the bailment or (in Scotland) the hiring of goods, to two or more persons jointly where—
 - (a) one or more of those persons is an individual, and
 - (b) one or more of them is a body corporate,is a consumer credit agreement or consumer hire agreement if it would have been one had they all been individuals; and the body corporate or bodies corporate shall accordingly be included among the debtors or hirers under the agreement.
- (6) Where subsection (5) applies, references in this Act to the signing of any document by the debtor or hirer shall be construed in relation to a body corporate as referring to a signing on behalf of the body corporate.

186 Agreement with more than one creditor or owner

Where an actual or prospective regulated agreement has two or more creditors or owners, anything required by or under this Act to be done to, or in relation to, or by, the creditor or owner shall be effective if done to, or in relation to, or by, any one of them.

187 Arrangements between creditor and supplier

- (1) A consumer credit agreement shall be treated as entered into under pre-existing arrangements between a creditor and a supplier if it is entered into in accordance with, or in furtherance of, arrangements previously made between persons mentioned in subsection (4)(a), (b) or (c).
- (2) A consumer credit agreement shall be treated as entered into in contemplation of future arrangements between a creditor and a supplier if it is entered into in the

expectation that arrangements will subsequently be made between persons mentioned in subsection (4)(a), (b) or (c) for the supply of cash, goods and services (or any of them) to be financed by the consumer credit agreement.

- (3) Arrangements shall be disregarded for the purposes of subsection (1) or (2) if—
 - (a) they are arrangements for the making, in specified circumstances, of payments to the supplier by the creditor, and
 - (b) the creditor holds himself out as willing to make, in such circumstances, payments of the kind to suppliers generally.
- (4) The persons referred to in subsections (1) and (2) are—
 - (a) the creditor and the supplier ;
 - (b) one of them and an associate of the other's ;
 - (c) an associate of one and an associate of the other's.
- (5) Where the creditor is an associate of the supplier's, the consumer credit agreement shall be treated, unless the contrary is proved, as entered into under pre-existing arrangements between the creditor and the supplier.

188 Examples of use of new terminology

- (1) Schedule 2 shall have effect for illustrating the use of terminology employed in this Act.
- (2) The examples given in Schedule 2 are not exhaustive.
- (3) In the case of conflict between Schedule 2 and any other provision of this Act, that other provision shall prevail.
- (4) The Secretary of State may by order amend Schedule 2 by adding further examples or in any other way.

189 Definitions

- (1) In this Act, unless the context otherwise requires—
 - " advertisement " includes every form of advertising, whether in a publication, by television or radio, by display of notices, signs, labels, showcards or goods, by distribution of samples, circulars, catalogues, price lists or other material, by exhibition of pictures, models or films, or in any other way, and references to the publishing of advertisements shall be construed accordingly;
 - " advertiser " in relation to an advertisement, means any person indicated by the advertisement as willing to enter into transactions to which the advertisement relates ;
 - " ancillary credit business " has the meaning given by section 145(1);
 - " antecedent negotiations " has the meaning given by section 56;
 - " appeal period " means the period beginning on the first day on which an appeal to the Secretary of State may be brought and ending on the last day on which it may be brought or, if it is brought, ending on its final determination, or abandonment;
 - " assignment ", in relation to Scotland, means assignation ;
 - " associate " shall be construed in accordance with section 184;

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" bill of sale " has the meaning given by section 4 of the Bills of Sale Act 1878 or, for Northern Ireland, by section 4 of the Bills of Sale (Ireland) Act 1879 ;

" building society " has the meaning given by section 1 of the Building Societies Act 1962, and includes a Northern Ireland society as defined by section 134(4) of that Act;

" business " includes profession or trade, and references to a business apply subject to subsection (2);

" cancellable agreement " means a regulated agreement which, by virtue of section 67, may be cancelled by the debtor or hirer ;

" canvass " shall be construed in accordance with sections 48 and 153 ;

" cash " includes money in any form ;

" charity " means as respects England and Wales a charity registered under the Charities Act 1960 or an exempt charity (within the meaning of that Act), and as respects Scotland and Northern Ireland an institution or other organisation established for charitable purposes only (" organisation " including any persons administering a trust and " charitable " being construed in the same way as if it were contained in the Income Tax Acts);

" conditional sale agreement " means an agreement for the sale of goods or land under which the purchase price or part of it is payable by instalments, and the property in the goods or land is to remain in the seller (notwithstanding that the buyer is to be in possession of the goods or land) until such conditions as to the payment of instalments or otherwise as may be specified in the agreement are fulfilled;

" consumer credit agreement " has the meaning given by section 8, and includes a consumer credit agreement which is cancelled under section 69(1), or becomes subject to section 69(2), so far as the agreement remains in force;

" consumer credit business " means any business so far as it comprises or relates to the provision of credit under regulated consumer credit agreements ;

" consumer hire agreement " has the meaning given by section 15;

" consumer hire business " means any business so far as it comprises or relates to the bailment or (in Scotland) the hiring of goods under regulated consumer hire agreements;

" controller ", in relation to a body corporate, means a person—

- (a) in accordance with whose directions or instructions the directors of the body corporate or of another body corporate which is its controller (or any of them) are accustomed to act, or
- (b) who, either alone or with any associate or associates, is entitled to exercise, or control the exercise of, one third or more of the voting power at any general meeting of the body corporate or of another body corporate which is its controller;

" copy " shall be construed in accordance with section 180 ;

" costs ", in relation to Scotland, means expenses;

" court " means in relation to England and Wales the county court, in relation to Scotland the sheriff court and in relation to Northern Ireland the High Court or the county court;

" credit " shall be construed in accordance with section 9 ;

" credit-broker " means a person carrying on a business of credit brokerage;

" credit brokerage " has the meaning given by section 145(2);

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- " credit limit " has the meaning given by section 10(2);
- " creditor " means the person providing credit under a consumer credit agreement or the person to whom his rights and duties under the agreement have passed by assignment or operation of law, and in relation to a prospective consumer credit agreement, includes the prospective creditor;
- " credit reference agency " has the meaning given by section 145(8);
- " credit-sale agreement " means an agreement for the sale of goods, under which the purchase price or part of it is payable by instalments, but which is not a conditional sale agreement;
- " credit-token " has the meaning given by section 14(1);
- " credit-token agreement " means a regulated agreement for the provision of credit in connection with the use of a credit-token;
- " debt-adjusting " has the meaning given by section 145(5);
- " debt-collecting " has the meaning given by section 145(7);
- " debt-counselling " had the meaning given by section 145(6);
- " debtor " means the individual receiving credit under a consumer credit agreement or the person to whom his rights and duties under the agreement have passed by assignment or operation of law, and in relation to a prospective consumer credit agreement includes the prospective debtor;
- " debtor-creditor agreement " has the meaning given by section 13 ;
- " debtor-creditor-supplier agreement " has the meaning given by section 12;
- " default notice " has the meaning given by section 87(1);
- " deposit " means any sum payable by a debtor or hirer by way of deposit or down-payment, or credited or to be credited to him on account of any deposit or down-payment, whether the sum is to be or has been paid to the creditor or owner or any other person, or is to be or has been discharged by a payment of money or a transfer or delivery of goods or by any other means ;
- " Director " means the Director General of Fair Trading ;
- " electric line " has the meaning given by the Electric Lighting Act 1882 or, for Northern Ireland, the Electricity Supply (Northern Ireland) Order 1972 ;
- " embodies " and related words shall be construed in accordance with subsection (4);
- " enforcement authority " has the meaning given by section 161(1);
- " enforcement order " means an order under section 65(1), 105(7)(a) or (b), 111(2) or 124(1) or (2);
- " executed agreement " means a document, signed by or on behalf of the parties, embodying the terms of a regulated agreement, or such of them as have been reduced to writing;
- " exempt agreement " means an agreement specified in or under section 16 ;
- " finance " means to finance wholly or partly, and " financed " and " refinanced " shall be construed accordingly;
- " file " and " copy of the file " have the meanings given by section 158(5);
- " fixed-sum credit " has the meaning given by section 10(1)(b);
- " friendly society " means a society registered under the Friendly Societies Acts 1896 to 1971 or a society within the meaning of the Friendly Societies Act (Northern Ireland) 1970;
- " future arrangements " shall be construed in accordance with section 187;

Status: This is the original version (as it was originally enacted).

" general notice " means a notice published by the Director at a time and in a manner appearing to him suitable for securing that the notice is seen within a reasonable time by persons likely to be affected by it;

" give " means deliver or send by post to ;

" goods " has the meaning given by section 62(1) of the Sale of Goods Act 1893 ;

" group licence " has the meaning given by section 22(1)(b);

" High Court " means Her Majesty's High Court of Justice, or the Court of Session in Scotland or the High Court of Justice in Northern Ireland ;

" hire-purchase agreement " means an agreement, other than a conditional sale agreement, under which—

- (a) goods are bailed or (in Scotland) hired in return for periodical payments by the person to whom they are bailed or hired, and
- (b) the property in the goods will pass to that person if the terms of the agreement are complied with and one or more of the following occurs—
 - (i) the exercise of an option to purchase by that person,
 - (ii) the doing of any other specified act by any party to the agreement,
 - (iii) the happening of any other specified event;

" hirer " means the individual to whom goods are bailed or (in Scotland) hired under a consumer hire agreement, or the person to whom his rights and duties under the agreement have passed by assignment or operation of law, and in relation to a prospective consumer hire agreement includes the prospective hirer ;

" individual " includes a partnership or other unincorporated body of persons not consisting entirely of bodies corporate;

" installation " means—

- (a) the installing of any electric line or any gas or water pipe,
- (b) the fixing of goods to the premises where they are to be used, and the alteration of premises to enable goods to be used on them,
- (c) where it is reasonably necessary that goods should be constructed or erected on the premises where they are to be used, any work carried out for the purpose of constructing or erecting them on those premises;

" insurance company " has the meaning given by section 33(1) of the Insurance Companies Act 1958, and includes such a company as defined by section 72(1) of the Insurance Companies Act (Northern Ireland) 1968, but does not include a friendly society or an organisation of workers or organisation of employers;

" judgment " includes an order or decree made by any court;

" land ", includes an interest in land, and in relation to Scotland includes heritable subjects of whatever description;

" land improvement company " means an improvement company as defined by section 7 of the Improvement of Land Act 1899 ;

" land mortgage " includes any security charged on land ;

" licence " means a licence under Part III (including that Part as applied to ancillary credit businesses by section 147);

" licensed ", in relation to any act, means authorised by a licence to do the act or cause or permit another person to do it;

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" licensee ", in the case of a group licence, includes any person covered by the licence;

" linked transaction " has the meaning given by section 19(1);

" local authority ", in relation to England and Wales, means the Greater London Council, a county council, a London borough council, a district council, the Common Council of the City of London, or the Council of the Isles of Scilly, and in relation to Scotland, means a regional, islands or district council, and, in relation to Northern Ireland, means a district council;

" minor ", in relation to Scotland, includes pupil;

" modifying agreement " has the meaning given by section 82(2);

" mortgage ", in relation to Scotland, includes any heritable security;

" multiple agreement " has the meaning given by section 18(1);

" negotiator " has the meaning given by section 56(1);

" non-commercial agreement " means a consumer credit agreement or a consumer hire agreement not made by the creditor or owner in the course of a business carried on by him;

" notice " means notice in writing ;

" notice of cancellation " has the meaning given by section 69(1);

" owner " means a person who bails or (in Scotland) hires out goods under a consumer hire agreement or the person to whom his rights and duties under the agreement have passed by assignment or operation of law, and in relation to a prospective consumer hire agreement, includes the prospective bailor or person from whom the goods are to be hired ;

" pawn " means any article subject to a pledge;

" pawn-receipt " has the meaning given by section 114 ;

" pawnee " and " pawnor " include any person to whom the rights and duties of the original pawnee or the original pawnor, as the case may be, have passed by assignment or operation of law ;

" payment " includes tender;

" personal credit agreement " has the meaning given by section 8(1);

" pledge " means the pawnee's rights over an article taken in pawn;

" prescribed " means prescribed by regulations made by the Secretary of State ;

" pre-existing arrangements " shall be construed in accordance with section 187;

" principal agreement " has the meaning given by section 19(1);

" protected goods " has the meaning given by section 90(7);

" quotation " has the meaning given by section 52(1)(a) ;

" redemption period " has the meaning given by section 116(3);

" register " means the register kept by the Director under section 35 ;

" regulated agreement " means a consumer credit agreement, or consumer hire agreement, other than an exempt agreement, and " regulated " and " unregulated " shall be construed accordingly;

" regulations " means regulations made by the Secretary of State ;

" relative ", except in section 184, means a person who is an associate by virtue of section 184(1);

" representation " includes any condition or warranty, and any other statement or undertaking, whether oral or in writing;

Status: This is the original version (as it was originally enacted).

" restricted-use credit agreement " and " restricted-use credit " have the meanings given by section 11(1);

" rules of court ", in relation to Northern Ireland means, in relation to the High Court, rules made under section 7 of the Northern Ireland Act 1962, and, in relation to any other court, rules made by the authority having for the time being power to make rules regulating the practice and procedure in that court;

" running-account credit " shall be construed in accordance with section 10;

" security ", in relation to an actual or prospective consumer credit agreement or consumer hire agreement, or any linked transaction, means a mortgage, charge, pledge, bond, debenture, indemnity, guarantee, bill, note or other right provided by the debtor or hirer, or at his request (express or implied), to secure the carrying out of the obligations of the debtor or hirer under the agreement;

" security instrument " has the meaning given by section 105(2);

" serve on " means deliver or send by post to;

" signed " shall be construed in accordance with subsection (3);

" small agreement " has the meaning given by section 17(1), and " small " in relation to an agreement within any category shall be construed accordingly ;

" specified fee " shall be construed in accordance with section 2(4) and (5);

" standard licence " has the meaning given by section 22(1)(a);

" supplier " has the meaning given by section 11(1)(b) or 12(c) or 13(c) or, in relation to an agreement falling within section 11(1)(a), means the creditor, and includes a person to whom the rights and duties of a supplier (as so defined) have passed by assignment or operation of law, or (in relation to a prospective agreement) the prospective supplier ;

" surety " means the person by whom any security is provided, or the person to whom his rights and duties in relation to the security have passed by assignment or operation of law;

" technical grounds " shall be construed in accordance with subsection (5);

" time order " has the meaning given by section 129(1);

" total charge for credit " means a sum calculated in accordance with regulations under section 20(1);

" total price " means the total sum payable by the debtor under a hire-purchase agreement or a conditional sale agreement, including any sum payable on the exercise of an option to purchase, but excluding any sum payable as a penalty or as compensation or damages for a breach of the agreement;

" unexecuted agreement " means a document embodying the terms of a prospective regulated agreement, or such of them as it is intended to reduce to writing;

" unlicensed " means without a licence, but applies only in relation to acts for which a licence is required;

" unrestricted-use credit agreement " and " unrestricted-use credit " have the meanings given by section 11(2);

" working day " means any day other than—

(a) Saturday or Sunday,

(b) Christmas Day or Good Friday,

(c) a bank holiday within the meaning given by section 1 of the Banking and Financial Dealings Act 1971.

- (2) A person is not to be treated as carrying on a particular type of business merely because occasionally he enters into transactions belonging to a business of that type.
- (3) Any provision of this Act requiring a document to be signed is complied with by a body corporate if the document is sealed by that body.

This subsection does not apply to Scotland.

- (4) A document embodies a provision if the provision is set out either in the document itself or in another document referred to in it.
- (5) An application dismissed by the court or the Director shall, if the court or the Director (as the case may be) so certifies, be taken to be dismissed on technical grounds only.
- (6) Except in so far as the context otherwise requires, any reference in this Act to an enactment shall be construed as a reference to that enactment as amended by or under any other enactment, including this Act.
- (7) In this Act, except where otherwise indicated—
 - (a) a reference to a numbered Part, section or Schedule is a reference to the Part or section of, or the Schedule to, this Act so numbered, and
 - (b) a reference in a section to a numbered subsection is a reference to the subsection of that section so numbered, and
 - (c) a reference in a section, subsection or Schedule to a numbered paragraph is a reference to the paragraph of that section, subsection or Schedule so numbered.

190 Financial provisions

- (1) There shall be defrayed out of money provided by Parliament—
 - (a) all expenses incurred by the Secretary of State in consequence of the provisions of this Act;
 - (b) any expenses incurred in consequence of those provisions by any other Minister of the Crown or Government department;
 - (c) any increase attributable to this Act in the sums payable out of money so provided under the Superannuation Act 1972 or the Fair Trading Act 1973.
- (2) Any fees received by the Director under this Act shall be paid into the Consolidated Fund.

191 Special provisions as to Northern Ireland

- (1) The Director may make arrangements with the Department of Commerce for Northern Ireland for the Department, on his behalf.—
 - (a) to receive applications, notices and fees ;
 - (b) to maintain, and make available for inspection and copying, copies of entries in the register; and
 - (c) to provide certified copies of entries in the register,to the extent that seems to him desirable for the convenience of persons in Northern Ireland.
- (2) The Director shall give general notice of any arrangements made under subsection (1).

Status: This is the original version (as it was originally enacted).

- (3) Nothing in this Act shall authorise any Northern Ireland department to incur any expenses attributable to the provisions of this Act until provision has been made for those expenses to be defrayed out of money appropriated for the purpose.
- (4) The power of the Department of Commerce for Northern Ireland to make an order under section 178 shall be exercisable by statutory rule for the purposes of the Statutory Rules Act (Northern Ireland) 1958, and any such order shall be subject to negative resolution within the meaning of the Interpretation Act (Northern Ireland) 1954 as if it were a statutory instrument within the meaning of that Act.
- (5) In this Act " enactment" includes an enactment of the Parliament of Northern Ireland or the Northern Ireland Assembly, and " Act" shall be construed in a corresponding manner; and (without prejudice to section 189(6)) any reference in this Act to such an enactment shall include a reference to any enactment re-enacting it with or without modifications.
- (6) Section 38 of the Interpretation Act 1889 (effect of repeals) shall have the same operation in relation to any repeal by this Act of an enactment of the Parliament of Northern Ireland as it has in relation to the repeal of an Act of the Parliament of the United Kingdom, references in that section of the Act of 1889 to Acts and enactments being construed accordingly.

192 Transitional and commencement provisions, amendments and repeals

- (1) The provisions of Schedule 3 shall have effect for the purposes of this Act.
- (2) The appointment of a day for the purposes of any provision of Schedule 3 shall be effected by an order of the Secretary of State made by statutory instrument; and any such order shall include a provision amending Schedule 3 so as to insert an express reference to the day appointed.
- (3) Subject to subsection (4)—
 - (a) the enactments specified in Schedule 4 shall have effect subject to the amendments specified in that Schedule (being minor amendments or amendments consequential on the preceding provisions of this Act), and
 - (b) the enactments specified in Schedule 5 are hereby repealed to the extent shown in column 3 of that Schedule.
- (4) The Secretary of State shall by order made by statutory instrument provide for the coming into operation of the amendments contained in Schedule 4 and the repeals contained in Schedule 5, and those amendments and repeals shall have effect only as provided by an order so made.

193 Short title and extent

- (1) This Act may be cited as the Consumer Credit Act 1974.
- (2) This Act extends to Northern Ireland.